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## Takeshita Apologizes for Scandal

In the Diet,  
He Asks for a  
Second Chance

By Fred Hiatt

Washington Post Service

TOKYO — Prime Minister Noboru Takeshita, in an extraordinary effort to salvage his government and his political career, apologized on Tuesday for his involvement in Japan's "money politics" scandal and asked for a second chance to initiate political change.

Mr. Takeshita, who said last fall that he had "absolutely not" received funds from Recruit Co., acknowledged that he and his aides had taken more than \$1 million from the conglomerate during the three years before he became prime minister in November 1987.

He said that he could not remember doing anything for Recruit Co. in return and that he did not know why it had made such large donations.

Mr. Takeshita had acknowledged most of the donations in recent days in response to newspaper disclosures.

He also said that the donations were legal. But opposition politicians suggested they violated Japan's political-funding laws.

"I deeply feel my political and moral responsibility," Mr. Takeshita said during a committee session in the Diet, or parliament.

"I fully recognize that in my 30 years' experience, the seriousness of this case has no precedent."

The Recruit scandal has brought 13 arrests and three cabinet resignations. Questions during the session on Tuesday ranged from \$400,000 contributions to Mr. Takeshita's "study groups" to allegations that he had paid legislators as much as \$250,000 each to win their support for his bid to become prime minister.

After three hours of sometimes tense questioning by opposition members it was far from clear that Mr. Takeshita



Prime Minister Takeshita faced opposition questioners in the Diet on Tuesday.

## Meanwhile, Cherry Trees Blossom And Japan Enjoys a Rite of Spring

By Steven R. Weisman

New York Times Service

TOKYO — The other evening, a top official in the Finance Ministry cut short his conversation, explaining that he and his colleagues had another pressing engagement.

They all had to adjourn to a nearby park to sit under the cherry blossoms, sing old songs and drink beer or sake.

This is the time of year when countless workers and families all over Tokyo have been hurriedly adjusting their schedules to do the same thing.

The annual season for cherry blossom viewing, or *hanami*, lasts only a week or so — precious little time for one of Japan's most festive informal rituals.

"This is our rite of spring, the beginning of the new year," said Akira Katsuka, who was in Ueno Park with fellow workers from a company that makes electric cables, offering a beer to a guest.

Surrounding him were two long rows of cherry trees crowned by huge clouds of pink and sheltering thousands of picnickers on mats or plastic sheets, some of them eating sedately but others singing, clapping or telling jokes.

Cherry blossom viewing has taken on a certain poignancy this year because of tensions surrounding the foul political weather. A scandal has rolled the government, and everyone is grumbling about a new 3 percent "consumption tax" on goods and services.

"We're here to forget about strikes and wage demands and drink and leave our troubles behind," said Tetsuo Matsushima, a labor organizer, growing boisterous as he waved his glass of Japanese whiskey.

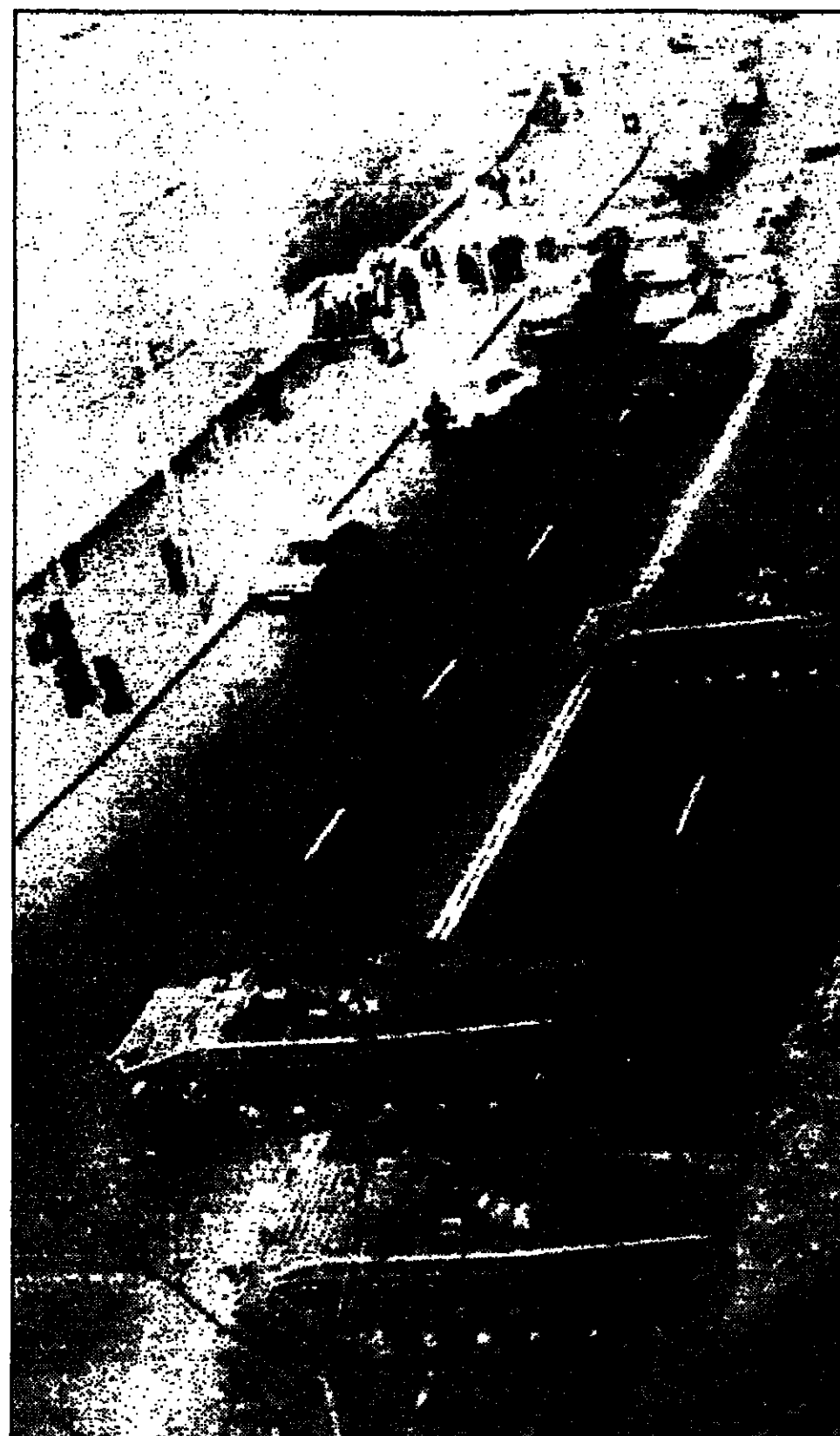
A group of revelers sang some old favorites, including this one:

*The red sun sets  
Cherry blossoms flutter to the ground  
We say, 'Good luck, and hope we meet again.'*

Their sweetly and lament seemed to capture the mood of the season. Japanese say that subliminally, the cherry blossom symbolizes the ancient Buddhist concept of the transitory nature of human existence.

"The season comes suddenly and unexpectedly every year," said Robert Singer, curator of Japanese art at the Los Angeles County Museum of Art, who was on a visit. "Almost as soon as they

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Soviet armored vehicles blocked a street in Tbilisi, the Georgian capital, after 18 protesters died Sunday in a clash with troops. The photo, taken the day of the clash, was made available Tuesday.

## Pravda Attacks Activists

Kremlin Blames  
Nationalists as  
Georgia Mourns

By David Remnick

Washington Post Service

MOSCOW — The Communist Party newspaper Pravda blamed nationalist activists Tuesday for recent deaths in Georgia, Armenia and Azerbaijan, and warned that the Soviet authorities would not hesitate to use laws adopted last week to jail leaders of such movements who take public action to "undermine" the state.

The unsigned front-page editorial was angriest expression yet of Kremlin frustration in dealing with the spread of nationalist movements in nearly all of the 15 Soviet republics.

The Georgian capital, Tbilisi, was in a state of official mourning Tuesday following a clash Sunday between troops and protesters that left at least 18 persons dead and 200 wounded. Troops continued to patrol the streets on foot and in tanks.

Unofficial sources in Tbilisi said that nearly 500 people who held a demonstration during the night had been detained for violating curfew laws. The authorities put the number at 200.

The Soviet Foreign Ministry spokesman, Gennadi Gerasimov, said that a preliminary coroner's report showed that the dead included a 70-year-old woman who died of traumatic shock and 12 people who were crushed and asphyxiated.

He said that local police were confiscating guns and hunting rifles owned by people in the republic.

In its editorial, Pravda criticized "self-appointed leaders" of nationalist movements and called them "extremists" who "hide their true faces behind a mask of commitment to reforms and who have on their conscience the events in Armenia and Azerbaijan, which tragically cut short the lives of innocent people."

More than 70 people have been officially reported killed in the two Transcaucasian republics since a dispute erupted in February 1988 over the Nagorno-Karabakh Autonomous Region, an Azerbaijani enclave that is claimed by Armenia.

Pravda said that nationalist leaders had "sowed the seeds of discord" and created anarchy in Georgia, which also lies in the southern Transcaucasian area, and elsewhere.

The article made it clear that new laws passed Saturday by the Presidium of the Supreme Soviet, the highest state body, could be used not only in cases of violence, but also in the more widespread instances when activists have pressed Moscow publicly for republican independence. Such movements exist in nearly every republic and have wide support in the Baltic republics and in the Transcaucasus.

Vladimir L. Kudryavtsev, director of the government's Institute of

See SOVIET, Page 2

## Klosk

Soviets to Try  
To Raise Sub

New York Times Service

MOSCOW — The Soviet Navy indicated Tuesday that it will try to raise the nuclear submarine lost Friday in the Norwegian Sea after a ship-board fire.

"We think we have to raise it," Vice Admiral Sergei P. Vargin, chief political director of the northern Soviet fleet, said in a television interview.

The vessel was lost almost a mile deep after a five-hour fire and explosions in which 42 sailors perished.

See RECRUIT, Page 8

## European Court Outlaws Price-Fixing Pacts by EC Airlines

By Barry James

International Herald Tribune

The European Court of Justice on Tuesday outlawed pricing pacts among European Community airlines, whether on international or domestic routes.

"We regard the decision as very important," Michael Berendt, a spokesman for the EC's executive Commission, said in Brussels. "It will take a while to examine the full implications, but it is quite clear that it defines very much more clearly the extent to which community competition law runs in the aviation field."

Industry sources said the court's decision in Luxembourg likely would strengthen the commission's hand in liberalizing air fares in Europe. The commission is expected to submit new proposals this summer to open routes to more carriers and to increase the availability of discount fares.

National carriers and their governments still can set fare structures through state-to-state or multilateral agreements. Limited deregulation in 1987 allowed tickets to be discounted by as much as 45 percent against the full fare and a share of a market to be expanded to 55 percent without the approval of the partner in the agreement.

The court ruled Tuesday that "bilateral or multilateral conventions on tariffs applicable to scheduled flights are void" under Article 85 of the EC's founding Treaty of Rome, which bans both price fixing and market sharing. Until the 1987 agreement, airlines were exempted from this article.

The court made an exception only in those cases where national airlines are required by their governments to maintain services on unprofitable routes.

It also said that all agreements among airlines, whether applying to domestic or international flights, fall under the terms of Article 85 of the treaty. This article, which prohibits abuse of a dominant trading

position, had never before been applied to airlines.

According to the court's decision, Article 85 now can apply to any one air route anywhere in the EC.

The court's decisions automatically became a part of EC law. EC officials said this decision went much further than expected. The court had been asked by a West German court to clarify a point of European law.

Instead, the European court gave an interpretation of the law as it applies to the EC in general.

The West German court is considering a case against two travel agencies, Ahmed Saeed Flugreisen

and Silver Line Reisebüro GmbH, which were accused by rivals of unfair competition. The two agencies had bought tickets in London, where prices are cheaper, and offered them for international flights out of Frankfurt.

"This was an interesting case, because the judges were working under the rules of the International Air Transport Association, which say you cannot buy a ticket in a currency other than the currency of the country you are departing from," Mr. Berendt said.

"The court does not specifically give its own judgment on whether this is acceptable or not, but it does say that it is illegal to fix tariffs

within the community, or within a community member country, in a way which conflicts with Article 85."

Mr. Berendt said the commission will assess the decision before working out its implications.

"The commission would need to look at individual routes where it thought there might be an abuse of a dominant position by a particular airline and take action against that airline," he said.

"Likewise, a customer of an airline, or another airline which feels it is being discriminated against as a result of this dominant position, could complain to us."

## Lease Firm Plans Huge Plane Order

By Steven Greenhouse

New York Times Service

PARIS — GPA Group Ltd., one of the largest airplane-leasing companies in the world, will announce next week the largest aircraft order in history, worth well over \$10 billion, an executive said Tuesday.

James M. King, chief operating officer of the Shannon, Ireland-based company, said the aircraft would be purchased from Boeing Co., McDonnell-Douglas Corp. and Airbus Industrie for a price "considerably in excess of \$10 billion."

Several industry analysts said they expected the order to exceed 200 planes and to total close to \$20 billion. This would make it far larger than the biggest previous order: a \$10.5 billion order placed by Delta Air Lines last September for 225 orders and options on Boeing and McDonnell-Douglas airplanes.

The expected GPA order demonstrates the growing role and power of airline-leasing companies, which account for approximately 20 percent of worldwide aircraft orders. Analysts said the order also reflects the huge growth that the airline industry is experiencing and the heightened concerns about the need to replace aging planes.

Some airline executives complain that leasing companies are pushing up aircraft prices and extending the years-long waiting lists for new planes. Leasing company executives respond that they are providing a service to companies that do not have the cash to buy planes.

"There is a fundamental structural change taking place in the industry," Mr. King said. "Airlines

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## Aid Talks in Beirut, Under Guard

A French security man guarding a meeting Tuesday in Beirut between Bernard Kouchner, a French official, and Salim Hoss, who heads the Syrian-backed Moslem administration. Mr. Kouchner said France would provide humanitarian aid only with the agreement of all parties in the country's civil war.

## ASEAN Prepares Wider Military Role

By Michael Richardson

International Herald Tribune

SINGAPORE — Non-Communist countries in Southeast Asia are preparing to play a larger military role in the region to prevent outside powers, including Japan, from filling a void as the U.S. military presence diminishes, officials and analysts say.

Apprehension that Japan may be encouraged by Washington to assume maritime security responsibilities in Southeast Asia to offset a decline in the U.S. presence is one factor behind the planning by regional countries to safeguard key ocean trade routes and shipping straits in the region, analysts say.

The plans include acquisition by Malaysia and Singapore of new missile-armed warships and aircraft capable of protecting sea-lanes in the South China Sea. They also include closer military cooperation between Malaysia, Singapore and Indonesia, the three countries that border the Strait of Malacca.

Nearly all commercial and naval shipping between the Indian and Pacific oceans, including tankers carrying oil supplies from the Gulf to Japan, pass through the Strait of Malacca or along several deep-water passages through Indonesia.

Asian diplomats said Tuesday that concerns about where military burden-sharing between the United States and Japan might lead have emerged in recent weeks at senior official levels in the Association of South East Asian Nations, which groups Thailand, Singapore, Brunei, Indonesia, Malaysia and the Philippines.

Prompted by U.S. demands that Tokyo increase its share of the cost of maintaining an American military presence in the Asia-Pacific region, Japan has in recent years upgraded its self-defense forces to guard sea-lanes out to 1,000 miles (1,600 kilometers) from Japan. In the south, this brings the perimeter of the Japanese self-defense zone almost to the northern Philippines.

In government and military circles in the six ASEAN countries, strategic concerns about Japan now appear to have equal ranking with uncertainty about the future intentions toward Southeast Asia of Vietnam, backed by the Soviet Union, and of China.

But officials have emphasized that although a network of bilateral military exercises and other forms of security cooperation between

the ASEAN countries may be extended into trilateral or multilateral collaboration, ASEAN will not be turned into a mutual defense pact.

The Asian diplomats said that ASEAN leaders were likely to seek assurances from Prime Minister Noboru Takeshita of Japan this month that Japan would confine its role in Southeast Asia to non-military matters, mainly trade, investment, aid and technology transfer.

Mr. Takeshita is scheduled to begin a nine-day tour of the ASEAN countries on April 29.

Raul Manglapus, foreign minister of the Philippines, said last month that there was "universal acceptance of Japan as long as she remains an economic power and

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## Fair-Trade Game: Avoiding U.S. List

By Stuart Auerbach

Washington Post Service

WASHINGTON — Over lunch at the Four Seasons Hotel, Taiwanese officials explained a new program to help American exporters sell to their country.

A dozen blocks away, a South Korean business leader told another luncheon meeting about his country's steps to increase purchases of U.S. products.

And at the Hay-Adams, champagne was poured to celebrate the purchase by Asiana, a new South Korean airline, of \$1.1 billion in new planes from Boeing Co.

It was no coincidence that the three events occurred Monday.

They all were parts of highly orchestrated lobbying and public relations campaigns mounted by South Korea, Taiwan, Japan and other countries to avoid being named by the United States as persistently unfair traders,

subject to sanctions if they fail to change their ways within three years.

Under the so-called Super 301 provision of the U.S. trade law enacted last year, the government has until May 30 to target countries that show patterns of unfair trade practices that hurt American businesses. The United States then must initiate intensified negotiations to end the practices.

Of all the myriad provisions in the complex trade law, this one has become the most feared by other nations for its tight deadlines and the sweep of its coverage, which transcends obvious trade barriers. The provision allows U.S. officials, for instance, to impose curbs on foreign business practices, such as a convoluted distribution system in Japan, which is seen as discriminating against foreign goods.

Doing some lobbying of their own, American companies have recommended that 48 countries be targeted for possible Super 301 action, with South Korea leading the list. It is followed

by Japan, India, Taiwan, Brazil and the 12-nation European Community.

The U.S. Chamber of Commerce, the only broad-based business group to submit recommendations to the U.S. trade representative, Carla A. Hills, listed four countries for targeting: Brazil, India, Japan and South Korea. The chamber will suggest that three countries — Mexico, Taiwan and Thailand — be placed on a "watch list" for possible inclusion next year.

The four countries currently cited by the chamber were listed for a variety of trade barriers. They included Brazil's constitutional provision calling for "protection and incentives" to help industries important to the country's development; India's high tariffs, investment restrictions and weak patent protection; Japan's system of government guidance to important industries and its failure to fully implement past trade agreements; and South Korea's lim-

See EXPORTS, Page 17



# New Mayor of Lyon Emerging as a Star on the French Right

By James M. Markham  
New York Times Service

LYON — The mayors of France's staid second city are supposed to die in office.

Until late March, Lyon was so politically stable that it had only had four mayors in this century, and one of them, Edouard Herriot, reigned for 54 years.

But, at a time of brisk change in Europe, the city's solid but stolid reputation was beginning to look like a handicap.

In an attention-getting landslide in France's municipal elections, the voters of Lyon ousted a venerable 78-year-old incumbent, Francisque Collomb, and installed Michel Noir, a 44-year-old Gaullist politician who is indisputably tall, dark and handsome.

The quarrelsome French right, whose lackluster barons have been sunk in truly boring disputes, had a new star in Mr. Noir — a fresh name to bandy about when contemplating presidential elections that are six long years away but on every major politician's mind.

In one inadvertent swing, Mr. Noir planted one on the chin of Jacques Chirac, the defeated Gaullist presidential contender last year. He also dealt what may have been a TKO to Raymond Barre, another perennial presidential aspirant, who made the mistake of backing the unfortunate Mr. Collomb.

Mr. Noir's triumph was also widely seen as symptomatic of a new mood in the country — a rejection of

the games politicians play and their blah-blah-blah, which the French scornfully call "the language of wood."

The national preference was for plain-speakers who seemed to embody an old-fashioned morality and who manifested a concern for citizens' daily problems.

In Strasbourg, for example, the voters turned to a 38-year-old Protestant theologian, Catherine Trautmann, a Socialist who had been given little chance of winning.

In rough-and-tumble Marseille, they chose Robert Vigouroux, a doctor who backed the Socialist establishment and made a virtue out of his distaste for machine politics.

"It is true that those who were in touch with French society got an exceptional bonus," said Mr. Noir, in his palatial office in the 17th-century city hall.

"Our generation has been less in the corridors of power, and many of us who were elected were locals, rooted in the values of our communities."

The "new" values that seem to be on the rise are, in fact, old ones.

Mr. Noir, who has six children and likes to relax by playing the cello, is a profoundly conservative figure in many ways.

"What is evident is that there is a return of the spiritual," he said.

"After we passed through this almost suicidal crisis of Frenchism and Marxism — the anything-goes 1960s — there is a return of values," he said.

Until he was elected mayor, Mr. Noir was best known for a phrase pronounced in May 1987 as Mr. Chirac, prime minister at the time, was flirting with the anti-immigrant National Front in his quest for votes that might help him defeat President François Mitterrand.

"Better to lose an election than to lose one's soul," said Mr. Noir, denouncing the wooing of the National Front.

The indeleible phrase touched off accusations of betrayal among the Gaullists as well as a short-lived campaign to have Mr. Noir evicted as external trade minister, but he stuck to his guns.

Mr. Noir's father was a Gaullist who joined the anti-Nazi Resistance — an act of courage that landed him in the Mauthausen concentration camp in 1944.

When Michel Noir was 16, his father took him to the site of the former camp in eastern Austria and told him never to forget it. He has not.

"That day I became a Gaullist," said Mr. Noir, who defines France's most pervasive but quicksilver doctrine as a dedication to the rights of the individual combined with "an extraordinary pragmatism" in the tasks of governance.

Mr. Noir's campaign was low-key. His posters showed his craggy face, devoid of any party affiliation, and called on the one million citizens of Lyon to rally around him. They did, in huge numbers.

The swelling of support for his candidacy bespoke an irritation with the stodgy Lyon political establishment, which many industrialists feared was failing to guard the city for the challenges and opportunities of the European Community's single market that is to come into being at the end of 1992.

At the same time, a system of kickbacks on municipal contracts and other varieties of corruption had begun to exasperate many of the same industrialists.

Mr. Noir did not overtly campaign against municipal corruption, but he promised "transparency" and competitive bidding on city contracts.

His office had Mr. Noir enmeshed himself in his office than grumblings of discontent began to be heard about his overbearing campaign manager, Pierre Botton, a 33-year-old self-made millionaire who also happens to be the new mayor's son-in-law.

"Often when there are rumors like that it is because people feel that their own interests are threatened," said Mr. Noir.

"If I want to be credible, I can't commit such stupidities — I have a longer political career in front of me than behind me."

## WORLD BRIEFS

### 22 on Plane Killed in Central France

VALENCE, France (Combined Dispatches) — Investigators dug through the wreckage of a twin-engine Fokker 27 aircraft Tuesday after two flight recorders that they hope will help explain why the plane crashed and killed all 22 persons aboard in south-central France.

The Uni-Air plane hit a 100-meter-high (330-foot-high) cliff in the mountains about 25 kilometers (about 15 miles) east of Valence on the Rhone River. Rescuers recovered the bodies of the 19 passengers and 3 crew members. The plane, which crashed Monday night, had been chartered by Europe Aero Service and was en route to Valence from Paris.

On March 4 last year, a Fokker 27 en route from Nancy to Paris crashed in the countryside killing 23 persons. The final report from that investigation provided no reason for the crash.

### Kabul Said to Repel Jalalabad Attack

KABUL (Reuters) — Up to 20,000 mujahidin guerrillas have launched a three-pronged attack on the besieged eastern Afghan city of Jalalabad, but government troops contained their advance and repelled the rebels on one front, a government spokesman said Tuesday.

The Foreign Ministry spokesman, Mohammad Amani, said that government troops, backed by the air force, had succeeded Monday in repelling the first stage of a new infantry and artillery offensive that began Sunday. He said that the mujahidin attack had been contained by Afghan Air Force jets and helicopter gunships and long-range Soviet missiles.

Guerrilla spokesmen announced in Islamabad, Pakistan, on Sunday that the mujahidin had begun a new attack on Jalalabad despite heavy bombardment by government planes. The city has been the focus of fierce fighting since March 5.

### U.S. Says 1988 Terrorism Set Record

WASHINGTON (AP) — The number of terrorist incidents increased worldwide to a record 836 in 1988, while the number of anti-U.S. incidents rose in all regions, the State Department reported Tuesday in Congress.

The bombing of a Pan Am jetliner in December and incidents stemming from the Palestinian uprising on the West Bank and Gaza Strip helped increase the number to 836, up 3 percent from 832 in 1987. The report said 658 people were killed last year, 4 percent above the 633 total in 1987, and 1,131 were wounded, a 50 percent decrease from 2,272. The casualty figures include terrorists who were killed or wounded during attacks.

The United States, the report said, remained a primary target for international terrorism, with the number of anti-U.S. incidents rising to 185 last year from 149 in 1987, a 24 percent increase. The incidents resulted in 192 people killed and 40 wounded, compared with 7 Americans killed and 47 wounded in 1987.

### U.S. to Send Satellite Toward Venus

WASHINGTON (Reuters) — The United States plans to launch a spacecraft toward Venus later this month that eventually would orbit the planet and map its surface using powerful radar, U.S. officials said Monday.

The Magellan mission, scheduled for launching from the space shuttle Atlantis on April 25, will be the first trip into deep space for the National Aeronautics and Space Administration in more than a decade. It also will be the first U.S. deep space mission to rely for its initial launching on a spacecraft that can be used again. Previous such U.S. missions have used nonrecoverable rockets.

Five days after being put into Earth orbit by the Atlantis, Magellan's rockets will send it on a 15-month voyage toward Venus. The spacecraft is to begin orbiting Venus and mapping its surface in August 1990. Twenty U.S. and Soviet spacecraft have already visited Venus, beginning in 1961.

### Witness Reported in Vienna Slayings

VIENNA (Combined Dispatches) — The police said Tuesday that they had a witness who reported seeing at least one of the murders that four nursing auxiliaries have confessed to committing in an old persons unit at the Lausz hospital in Vienna.

The police put the murder toll at 49, but said it could possibly go far higher. Max Edelbacher, head of the Vienna criminal police, said investigators had run into a "wall of silence" at the hospital. He added that "the circle of people who knew what was going on" extended beyond the four nursing auxiliaries who have been arrested.

A fifth auxiliary turned herself in after the police issued a warrant for her arrest and the police were questioning other nursing assistants at the hospital.

## TRAVEL UPDATE

### U.S. to Order Changes in Boeing Jets

WASHINGTON (AP) — The Federal Aviation Administration said Tuesday that the agency would begin issuing a series of proposed changes in maintenance procedures for Boeing airplanes in the next month.

The official, Anthony J. Broderick, the associate administrator for regulation, told the Senate Aviation Subcommittee that the agency would soon propose rules that would require more than 160 structural changes in 777s, 737s and 747s. The step is part of a program that the agency and airlines agreed to in February, in which more than \$800-million worth of improvements would have to be made on 1,300 older Boeing planes.

The average age of the 8,800 airplanes used around the world is more than 13 years. Since last April, when the roof of an Aloha Airlines Boeing 737 peeled off in the skies over Hawaii and a flight attendant was swept out, lawmakers and U.S. officials have focused attention on the age of the airliner fleet.

### Sydney Airport Faces More Disarray

SYDNEY (AFP) — Industrial action by air controllers at Sydney airport Tuesday stopped domestic and international flights and disrupting travel plans for thousands of passengers for the fifth time in six days.

The airport faced another closing Tuesday night as controllers voted to defy a judicial order to lift their overtime ban. A spokesman for the controllers threatened "more closures" until the Civil Aviation Authority agreed to increase training levels.

Several incoming international flights were diverted to other Australian cities until Sydney reopened after a 13-hour overnight closure. So far the federal government has shown no sign of acceding to the controllers.

The Pompidou museum in Paris turned away busloads of visitors again Tuesday for the 13th day. The center's security guards are demanding that the city's most popular tourist attraction provide more jobs, higher wages and better benefits. They were joined for 24 hours by 1,200 employees in other departments of the center.

## WEATHER

EUROPE				ASIA			
	HIGH	LOW	P		HIGH	LOW	P
Algeria	14	7	C	Bangkok	32	24	C
Amsterdam	11	4	C	Beijing	24	16	C
Athens	14	7	C	Hong Kong	28	20	C
Berlin	11	4	C	Kobe	24	16	C
Bombay	28	20	C	Manila	28	20	C
Buenos Aires	14	7	C	New Delhi	28	20	C
Cardiff	11	4	C	Shanghai	17	10	C
Cairo	24	16	C	Singapore	32	24	C
Canton	28	20	C	Taipei	24	16	C
Cebu	28	20	C	Tokyo	24	16	C
Colon	28	20	C				
Dakar	28	20	C				
Dhaka	28	20	C				
Delhi	28	20	C				
Detroit	11	4	C				
Frankfurt	11	4	C				
Geneva	11	4	C				
Hankow	28	20	C				
Hong Kong	28	20	C				
Kobe	24	16	C				
London	11	4	C				
Los Angeles	14	7	C				
Lyons	11	4	C				
Madrid	11	4	C				
Manila	28	20	C				
Moscow	14	7	C				
Mumbai	28	20	C				
Nairobi	28	20	C				
Paris	11	4	C				
Perth	14	7	C				
Port of Spain	28	20	C				
San Francisco	14	7	C				
Singapore	32	24	C				
Sourabaya	28	20	C				
Taipei	24	16	C				
Tokyo	24	16	C				
Yokohama	24	16	C				



Michel Noir, the recently elected mayor of Lyon.

## Giscard Is Seeking to Reassert His Primacy

By Barry James  
International Herald Tribune

PARIS — Aides to former President Valéry Giscard d'Estaing said Tuesday that he would move this week to reassert his authority as standard-bearer of the right in June 18 elections to the European Parliament.

Mr. Giscard d'Estaing, who has come under attack by a group of Young Turks seeking a change in leadership on the right, will probably reply Thursday when his party, the center-right Union for French Democracy, or UDF, meets to decide its election strategy.

The challengers, such as Michel Noir, the new mayor of Lyon, are questioning the leadership of Mr. Giscard d'Estaing and of the former prime minister, Jacques Chirac, who is president of the Gaullist Rally for the Republic, or RPR. One news magazine called the situation of the two leaders "the twilight of the gods."

The right has been badly battered in successive recent elections, starting with the presidential contest

a year ago, in Mr. Chirac was decisively defeated by the Socialist incumbent, François Mitterrand.

Mr. Mitterrand has hastened the disarray of the right by holding out the prospect of an "opening to the center" that would bring moderate rightists into the government.

Dismissing Mr. Mitterrand's siren call, but unable to agree on a program of common action, the leaders of the Rally for the Republic and the Union for French Democracy have presided over a period of demoralization and disintegration, heightened by the right's lackluster performance in recent municipal elections.

The Young Turks formed a core "group of 12" that is gathering support and whose strategy is aimed at creating a broad-based movement of the center-right. They are using the European elections as a jumping off point for a political program leading up to the next presidential election, in 1995.

The 12 include those, like Mr. Noir, with strong regional connections who broke out of the traditional

party mold to emerge victors in the municipal elections.

"This electoral legitimacy gives us the right to speak out," said Dominique Baudis, the mayor of Toulouse and one of the 12 self-styled "renovators."

Meanwhile, Simone Veil, a former health minister and a member of the leadership in Mr. Giscard d'Estaing's party, threw an added complication into the debate Tuesday when she said she would oppose any attempt to create another election alliance with Mr. Chirac's group.

Mr. Baudis told Le Monde on Tuesday that unless the center-right quickly created a plausible electoral strategy, France was in for a long period of Socialist rule. The opposition is prey to "the law of the jungle," with no common objectives and no sense of mutual commitment among the parties on the right, he said.

Mr. Baudis, who said that no leader has emerged from the 12, urged that a new mechanism be set up to select a future presidential candidate so that no one could think he had an automatic right to be the candidate of the right.

## Booze and Boats: The Problem Is Rarer

By Jay Mathews  
Washington Post Service

VALDEZ, Alaska — It is in this dimly lit room with the long black padded bar that Joseph J. Hazelwood, the man said to be responsible for America's worst oil-tanker spill, may have taken a few too many drinks.

It is easy to succumb, as many have, to one's private demons in the warm ambience of the Pipeline Club's jukebox, muted television, well-lit dart board and announcements for the "Ugly Costume Ball."

Mark Lee, manager of this bar on the main street of Valdez, said he did not know whether Captain Hazelwood became drunk at the Pipeline, as witnesses have said. Many seamen frequent this and the nine other bars or fraternal clubs with liquor licenses in this little mountainside port, and Mr. Lee said he could recognize only a few.

But amid the outery in the United States about a catastrophe apparently caused at least in part by alcohol abuse, Mr. Lee expressed surprise that a ship's officer could have gone so far over the line.

"Usually, they come in, ask where the shops are, have a couple of drinks and leave," he said.

A year ago, the last time a seaman lost control at the Pipeline, the man was taken out and his captain fired him. That incident was far more representative of the status of liquor in the shipping industry, according to several experts, than the 0.061 percent alcohol content found in the blood drawn from Captain Hazelwood more than 10 hours after the spill.

Laws on intoxication vary by state, but in Alaska and most other states, anyone driving a car with a blood-alcohol level of 0.1 is considered intoxicated.

U.S. and European navies used to issue grog and other potent drinks to sailors as a standard ration. Even as recently as the Vietnam War, when the demand for merchant seamen was intense, "ships were operated basically by the kids and the drunks," said Captain Joseph Murphy, a 25-year merchant marine veteran who teaches at Massachusetts Maritime Academy.

The post-Vietnam decline in job opportunities for American seamen and in export business for U.S. companies revolutionized attitudes and rules about alcohol.

"In the last 10 years," said Captain John Keever, master of the Golden Bear, the training vessel at California Maritime Academy, "drinking and the abuse of drinking have become the exception rather than the rule."

"The company managements," he said, "are not willing to tolerate it any more because the business is so much more competitive and the ships are so much bigger."

Ship's officers have cooperated with strict new rules, including bans on alcohol on many ships, Captain Murphy said, for fear of jeopardizing what have become very well-paid jobs.

"A master on an oil tanker may make \$100,000 a year, for six to eight months' work, and the rest is paid vacation," Captain Murphy said.

The change has been jarringly sudden for many seamen. Commander Tom Purcell, chief of the Coast Guard's marine safety evaluation branch, said that when he first went to sea two decades ago, "the image of the drunken sailor was popular, even promoted." But, he added, "That is not the image promoted now, and companies take pride in their personnel."

Government agencies regulating shipping also toughened their rules. Last year, the Coast

Guard set new penalties for operating vessels while intoxicated and made it illegal for even an off-duty crew member to have a blood alcohol level of 0.04 or above.

From 1981 to 1986, the Coast Guard reported, 20,604 commercial marine accidents involved drug or alcohol abuse. Of 1,114 deaths and 960 injuries from all causes during that period, 17 deaths and three injuries were related to drugs and alcohol.

After evidence emerged about Captain Hazelwood's condition, Exxon Corp. announced that it would require crews to board at least four hours before sailing to give them more time to sober up.

For decades, alcohol seemed the only effective way to relieve the unvarying routine and isolation of life at sea.

In recent years, shipping companies have tried to provide alternative forms of recreation such as videotaped movies, swimming pools and well-stocked libraries.

■ Who Pays for Cleanup?

Exxon Corp. has indicated that the public may ultimately foot the bill for cleaning up the oil spill, United Press International reported from Valdez.

Exxon has promised to pay the entire bill for the cleanup, but Don Cornett, Exxon's coordinator for Alaska, said Monday: "It's just like any other normal expense of doing business. If it gets to the consumer, that's where it gets."

Gasoline prices in the United States, meanwhile, have surged in the wake of the disaster, and the U.S. transportation secretary, Samuel K. Skinner, has warned oil companies against using the spill as an excuse to increase prices.



Mohammed Rashid, a Palestinian terrorist suspect whom Washington is seeking to extradite, in a Greek court Tuesday.

## Greek Court Postpones Hearing on Palestinian

ATHENS — The Greek Supreme Court, guarded by 1,000 policemen after threats from leftist guerrillas, decided Tuesday to postpone its hearing on a U.S. extradition request for a Palestinian bombing suspect because a judge was sick.

Five judges, reviewing a U.S. request that Mohammed Rashid be handed over, opened the hearing after months of delay but quickly announced a postponement until next Tuesday. The court rejected, 4 to 1, the public prosecutor's request that the sick judge be replaced.

The United States wants Mr. Rashid to stand trial for a bomb explosion on a Pan American World Airways jet bound for Honolulu in 1982. A Japanese teen-ager was killed and 15 passengers were wounded.

A Marxist guerrilla group bombed the home of a Supreme Court judge, Samouel Samouel, on Monday and assassinated a prosecutor, Anastasios Varnalio, on Jan. 23. After each act, the terrorists warned the judiciary to free Mr. Rashid.

## Israel Detains 3 Jews After Slaying of Arab

By Edward Cody  
Washington Post Service

JERUSALEM — As suspicion mounted against underground Jewish extremists, the police announced Tuesday that they had detained three Jewish residents of Israel in connection with a submarine gun attack that killed a Palestinian and wounded three others.

Police Minister Haim Bar-Lev pointed at the apparently unprovoked shooting Monday night near the Jaffa Gate in Jerusalem's Old City as a sign of extremism growing out of the tense relations between Jews and Arabs as the Palestinian uprising, or intifada, enters its 17th month.

"This act is a serious crime and a very severe phenomenon because the Arab and Jewish extremism worsens the situation," he said on Israeli radio. "There is no solution in this. They threw rocks on the Temple Mount, and here a Jew killed an Arab."

At the same time, Mr. Bar-Lev announced that some Palestinians from Gaza and the West Bank would be barred from entering the mosque area Friday to prevent a recurrence of violence.

## U.S. Calls On Russians To React With Restraint

By Michael R. Gordon  
New York Times Service

WASHINGTON — The United States has urged Soviet authorities to use restraint in dealing with protests in the Soviet republic of Georgia, which have led to clashes between troops and demonstrators.

"We call on the Soviet authorities to use restraint in dealing with peaceful protests by those wishing to exercise their right to peaceful political expression," said Richard Boucher, a State Department spokesman.

He also expressed concern about the death of civilians during the protests.

U.S. officials did not publicly dispute Soviet estimates of the number of deaths, which Monday were put at 18. But one administration official, who asked not to be identified, said Washington had received reports that the loss of life might be more than that officially reported. "It may be in the order of 40 to 50 killed," the official said.

There are no American diplomats in Tbilisi, and the United States has not confirmed the reports, circulating in Moscow, of more deaths, the official added.

## SOVIET: Nationalists Denounced

(Continued from Page 1)

State and Law, said that the new laws were not the direct result of recent nationalist demonstrations, but rather grew out of a longstanding need to replace similar statutes that were deemed vague, inflexible and "anti-democratic."

In the past, he said, especially under Stalin, laws on "anti-Soviet agitation" were used as a pretext for jailing people for remarks made in private or, as in the case of the exiled novelist Alexander Solzhenitsyn, for making jokes in private letters about Soviet leaders.

But what exactly will constitute "undermining" the Soviet state remains unclear. Mr. Kudryavtsev spoke about unconstitutional means of challenging the state, but he was not specific about "hindering interethnic or racial hostility." The decree is being prepared as part of the rewriting of the Soviet criminal code.

An administration official said that such a decree might be used to repress nationalist groups that engage in peaceful protests.

The ethnic protests have created a policy challenge for the United States. While it is sympathetic to the aspirations of Soviet ethnic groups for more autonomy, it does not want to see upheavals that will undermine the prospect for further changes there.

pect of public life, especially politics and the economic apparatus.

The range of nationalist demands is wide. The Georgians who led protests and hunger strikes in Tbilisi last week were demonstrating against "Russification" and for a sovereign republic, tied to Moscow only through a joint military and foreign policy. Armenians and Azerbaijanis have been attacking each other, verbally and physically, because of religious as well as their territorial differences.

In the Baltic states, which were annexed to the Soviet Union in 1940 and retain a more Western political culture than the rest of the country, demands for greater independence from Moscow are passionate, but lack the quality of anger that prevails in Transcaucasia.

But despite those differences of character and degree, the Pravda article made it clear that even nationalist-leaning popular movements in the Baltics that have close ties with the local party organization might find themselves branded "anti-socialist" and "anti-Soviet" if they are not careful.

"What is at issue here is the direct violation of socialist legality, the undermining of the foundations of our society and the responsibility for this," Pravda said.

It said that the new laws were in line with similar statutes in the United States, France, Sweden, Britain and West Germany.

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**in Central**  
 Dispatches) — Investigation  
 ne Fokker 27 aircraft Tuesday  
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**el Jalalabad**  
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 The United States plans to in-  
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**in Vienna**  
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UPDATE

**nges in Boe**  
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**OTHER**

ASIA	AFRICA	LATIN AMERICA	NORTH AMERICA
BANGKOK BEIJING BOMBAY CALCUTTA HONG KONG KUALA LUMPUR MANILA MUMBAI NEW DELHI RANGOON SINGAPORE TAIPEI THIRUVANANTHAPURAM YOKOHAMA	ADDIS ABABA ALGER CAIRO DAKAR HARARE JOHANNESBURG KAMPALA LAGOS NAIROBI NTA RABAT TUNIS	BUENOS AIRES CARACAS LIMA MEXICO CITY QUITO RIO DE JANEIRO SANTIAGO	ALBUQUERQUE ANCHORAGE ATLANTA BALTIMORE BOSTON CHICAGO CINCINNATI DENVER DETROIT HOUSTON LOS ANGELES MADISON MIAMI MINNEAPOLIS NEW YORK PHOENIX PORTLAND SAN FRANCISCO SEATTLE SPOKANE TAMPA WASHINGTON



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# Herald Tribune

Published With The New York Times and The Washington Post

## Backward in China

After more than a decade of reform, China has slipped into unmistakable retreat. The telltale signal came when Prime Minister Li Peng told the recent session of the National People's Congress that his government plans to reimpose a measure of centralized economic control.

Until now, China has been more willing than any other Communist country to introduce free market techniques, achieving changes, especially in agriculture, that Mikhail Gorbachev still only talks about.

This retreat is regrettable. Yet it is important for Westerners to grasp two points. One is that Beijing has not retreated significantly from post-Mao foreign policy. Relations with the United States remain good. The other is that recent history has left an entire generation of party leaders fearful of rapid political change like those with which Mr. Gorbachev has fired Soviet imaginations.

During the Cultural Revolution, many Chinese now in power were pilloried by rampaging Maoist Red Guards. It is not surprising that they now reflexively retreat into a defensive posture whenever it seems that uncontrolled passions might be unleashed from below. Indeed, the most reform-minded among them have been politically hurt by their perceived failure to contain protest and disorder. Two years ago Hu Yaobang lost his job as party leader after student protests. Now it appears that his successor, Zhao Ziyang, has been politically weakened by economic unrest.

The results are on display: the growing ascendancy of Prime Minister Li Peng, a cautious bureaucrat; the rebuffs to domestic and foreign pleas for greater political liberty; the move back toward centralized economic

control. Alarmed by inflation, violence in Tibet and growing interest among intellectuals in expanding democratic rights, Beijing's leadership has decided on at least a temporary retreat to orthodoxy.

There have been several previous attempts to pull in the reins since Deng Xiaoping launched China's reform program in 1978, but this time the elderly Mr. Deng appears less able to protect his reformist protégés than in the past.

Unfortunately, the effort to maintain some control over the pace of reform could actually worsen the very imbalances that China now cites as a reason for pulling back. For example, under the incompletely reformed pricing system, the same goods command different prices depending on whether they are exchanged in state or private markets. That almost guarantees bottlenecks, shortages and inflation.

Matters are also complicated by the uneasy coexistence of wide-open, thriving special economic zones and more traditionally regulated regions. Given such fragmentation, it is reasonable to wonder whether recentralization is even possible, let alone a practical remedy for troublesome distortions.

China's economic reform policies have done so much to liberate the energies of the population, especially in the countryside, that there probably can't be any real return to the stifling old ways. The more realistic danger is that fear of taking further political risks will leave China in limbo, with one foot mired in the past. Beijing's friends can only hope that its leaders will come to understand that those risks are justified by the promise of a more prosperous, freer future.

—THE NEW YORK TIMES.

## Two Silent Presidents

Oliver North's defense is giving Ronald Reagan and George Bush plenty of explaining to do. The former White House aide, apparently determined to pass the blame for the Iran-contra affair back up the line, now deeply implicates the two presidents in the circumvention of Congress's ban on aid to the Nicaraguan rebel forces. These two commanders in chief once celebrated him as a patriot and hero. Now he comes across as an informer trying to escape the felony charges against him.

It may not work. Blaming superiors, as Mr. North does in 42 pages of narrative allowed as evidence, will not necessarily exonerate him. And his evidence of numerous initiatives of his own to aid the contras belies his self-portrait as a mere pawn in a large chess game.

Even so, his account demands answers that Presidents Reagan and Bush have so far refused to provide.

Was Mr. Reagan truly disengaged? An investigating commission headed by John Tower charitably concluded that Mr. Reagan was disengaged from and uninvolved in alleged violations of the Boland amendment, which ordered intelligence operatives not to help the contras when aid was cut off between 1984 and 1986.

If he was so uninformed, what, then, was Mr. Reagan doing in February 1985 when he authorized a series of "entitlements" to Honduras "in exchange for continued support of the Nicaraguan resistance?"

Did Mr. Reagan know the details? At times during the aid cutoff, the exec-

utive branch was permitted to solicit humanitarian aid for the contras from third countries — but not to subsidize third parties in return for their help to the contras. How is it, then, that President Reagan's own notes of an April 1985 telephone call show him pledging to put further pressure on the contras and pressing the Honduran president to release a shipment of ammunition to the contras?

Was George Bush "out of the loop?"

Mr. Bush ducked Iran-contra questions, pleading that he was not in the circle of informed officials during the affair and insisting that he was withholding only the advice he gave his president. Now the former colonel discloses that his boss, former National Security Adviser John Poindexter, and high officials of the CIA and the State and Defense Departments agreed that "a discreet emissary" should carry a message of enticement to Honduras and that Vice President Bush, with President Reagan's approval, did just that. How can an official entrusted with such details be deemed outside of any loop?

These are some of the questions that leap from the trial evidence. Whether or not Oliver North's defense succeeds, they require answers. Mr. Reagan objected when the defense sought his testimony, and now Mr. Bush says he will not discuss Iran-contra while the trial is on. Significantly, he refuses even to promise to respond later. But those questions will be waiting when the trial ends.

—THE NEW YORK TIMES.

## Tourists Are Welcome

Welcome, tourists, to Washington. Pay no heed to the horns being honked at you by people whose traffic patterns you are temporarily disrupting, or to the occasional glare from the dyspeptic Washingtonian waiting to use the same revolving door being occupied by your whirling, mustard-speckled children. At bottom we permanent residents know, or should know, that we are fortunate to have you here. In fact, it would probably be a good thing if we tried a little more to see things through your eyes.

Few of us, to give just one example, stand an hour in line outside the National Archives to view the Constitution, the Declaration of Independence and the Bill of Rights. Nor have many permanent residents we know been down lately, if ever, to see the monuments by the Potomac, where the combination of stately, stirring words engraved in stone

and grand architectural spaces can still produce a feeling of exaltation in many visitors.

We have here in this city blossoms, beautiful vistas of shade, light and marble, orderly expanses of water — all of which we take pretty much for granted. If we took an afternoon off to join you in your pilgrimages from Jefferson to Washington to Lincoln we would probably have a greater appreciation of the meaning of this city. And if we struggled with you across Independence Avenue through the frenetic stream of commuter traffic (unchecked by police or traffic lights) only to reach the banks of the Potomac and find that magnificent scene ruined by the incessant roar of airplanes going about the city's daily business, then we might come to realize that it is not you tourists who are in the way. It's us.

—THE WASHINGTON POST.

## Other Comment

### Power Politics in South Asia

With Nepal, India has ventured into a moral zone that can't be called anything other than blackmail. What this underscores is an emerging danger: an Asia freed of superpower tensions has fewer rules, and fewer restraints, for playing the power game. A world less dominated by grand alliances is one in which naked self-interest has a freer hand. The Sino-Soviet thaw and Moscow's omnidirectional amiability translate into a weaker security partnership for India, which is now inclined to expand its own security watch commensurately. And since a higher defense profile means more spending and occasional trading on neighbors' toes, it requires an adversary. Increasingly, New Delhi has been identifying China as that adversary. (Recently) Mr. Gandhi told foreign correspondents that India cannot come to terms with Pakistan on

a nuclear ban because it has to consider China's capability. This is something that Indians used to cite only in whispered asides. Now the old fear of a Chinese foothold on the southern Himalayan watershed is resurfacing, too. That is the principle behind Indian hegemony over Nepal — a principle Nepal seems to have deliberately flouted.

—Asiaweek (Hong Kong).

### Moscow and Latin America

President Gorbachev's statements during his visit to Cuba leave little doubt that Moscow's policy in Latin America is no longer centered on its Cuban satellite. He intends to visit Brazil and Argentina as well this year, countries which, as his adviser Alexander Yakovlev put it, have "internal problems" that provide promising opportunities for Soviet foreign policy.

—New Zürcher Zeitung (Zurich).

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## Bush and Gorbachev: Business to Be Done

By Jim Hoagland

LONDON — The needle that George Bush has been quietly sticking to Mikhail Gorbachev has pricked the Soviet leader's skin. Mr. Gorbachev shows increasing concern in private meetings with Europeans that Mr. Bush may be more intent on making him look bad than on getting U.S.-Soviet relations moving again.

Mr. Gorbachev's tone stops short of whining or of expressing open nostalgia for Ronald Reagan. But his view that Mr. Bush has ordered a lengthy pause in the Soviet-American dialogue in a campaign to take the shine off the Soviet leader's international aureole is strongly held and clearly stated in these conversations.

Mr. Gorbachev may be playing a tactical game, voicing concern that he knows will be conveyed to Washington. There is also the tradition of Soviet paranoia. But evidence accumulates that Mr. Gorbachev is right in concluding that Mr. Bush is deliberately trying to diminish the Soviet's standing in world opinion.

"It drives Bush crazy to see Gorbachev's picture on the front pages day after day," says an American who has talked to the president about East-West matters in recent weeks.

A senior U.S. official adds: "We have to find ways to cool Gorbachev's picture in Europe and to put our own case across better before we plunge into the most important and most complicated set of arms control negotiations in history."

The foreign policy and strategic reviews ordered by Mr. Bush have now passed the point where they can be seen as a normal procedural delay. Mr. Gorbachev suggested in his talks with British Prime Minister Margaret Thatcher here last week. The reviews, he said, have become a device to throw him off stride and to cast doubt on the arms control and human rights accords reached by Moscow and Washington in the past two years.

These are not just my policies or my ideas, Mr. Gorbachev complained petulantly at one point to Mrs. Thatcher, "these are matters of mutual interest and joint agreement."

The implication of his remarks was that these accords should be built upon rather than called into ques-

tion; but he has begun to doubt that Mr. Bush intends to do so.

Soviet officials interpreted two actions by the Bush administration last week as attempts to put egg on Mr. Gorbachev's face while he was being fêted in Havana and London.

First, U.S. officials leaked word that the Soviets had supplied Libya with a new type of bomber. Then the State Department announced with a flourish on Friday, the day Mr. Gorbachev gave his major speech in London, that the Soviets had been detected planting listening devices in the U.S. Consulate in Leningrad — in February.

The Libya leak may have been designed as background noise for the visit to Washington last week of Israeli Prime Minister Yitzhak Shamir and for Israel's campaign to avoid congressional cuts in military aid, rather than as a dart flung at Mr. Gorbachev. But there can be no mistaking the squirming away of the Leningrad spillover for anti-Gorb duty at the right moment.

Mrs. Thatcher sought to reassure Mr. Gorbachev on U.S. intentions. She portrayed the policy review as a normal consequence of the change of administrations. This view is also pressed upon American visitors by British officials who emphasize that they have complete confidence in the Bush administration's deliberate approach to foreign policy.

Sparks fly, but both leaders enjoy the relationship and find it productive.

When Mrs. Thatcher advised Mr. Gorbachev that she wanted to conduct a detailed conversation with him about the outbreak of fighting in Namibia last week, he arrived for their next session well briefed on what was happening in the African territory. Moreover, he offered support for the ideas she had put forward in her talks with South African officials, and he was critical of the actions of SWAPO, the South-West Africa People's Organization, the guerrilla group supported by the Soviets.

Mrs. Thatcher decided in 1984 that

## OPINION



But the very different way in which Mrs. Thatcher approaches Mr. Gorbachev tells another story. Instead of belittling him or tarnishing his image, Mrs. Thatcher flatters the Soviet leader lavishly and presents him to her public as a bold and visionary leader. She then slugs it out with him verbally in their private talks, telling him that NATO must modernize its short-range nuclear missiles because the Soviets have just finished their own extensive modernization program.

Sparks fly, but both leaders enjoy the relationship and find it productive.

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Mrs. Thatcher decided in 1984 that

Mr. Gorbachev was a man with whom she could do business. She has helped make her prophesy a self-fulfilling one by establishing a give-and-take relationship with him that has become petty. Mr. Bush's approach to Mr. Gorbachev so far has faint echoes of the political campaign he conducted last fall against Michael Dukakis, with its emphasis on blemishing the image of the enemy. He should pay less attention to Mr. Gorbachev's image and more to the business of doing business with him.

The Washington Post.

## Does Bush Have Convictions of His Own to Push?

By Tom Wicker

NEW YORK — The Pentagon has raised "practical concerns," which some consider a bureaucratic smokescreen, that have slowed down the Bush administration's proclaimed speedup in the removal of chemical weapons from West Germany. That suggests the obvious point that the supposed policy of any administration can be paralyzed rather easily by conflicting forces within a hydra-headed U.S. government.

It also suggests that George Bush is not providing strong leadership. He does not seem so far to have a personal fund of ideas to draw on, or strong convictions about which way to move.

The Pentagon cites "practical" problems of disposal and environmental danger. But perhaps for military reasons it just doesn't want to withdraw chemical weapons quickly.

Either way, if the State Department wants to do something and the Pentagon doesn't — or vice versa, or if any number of other agencies get into the act — mumble bureaucratic footwork can halt or slow the action.

The chemical weapons imbroglio also suggests wimpy presidential leadership. Mr. Bush did not approve the faster withdrawal because he came

into office determined for good reason to get those weapons out of West Germany as soon as possible. The speedup announced with fanfare by Secretary of State James Baker was instead an administration scheme to counter the ability of Mikhail Gorbachev to woo West European public opinion with arms control initiatives.

Thus the chemical weapons announcement was not really a bold effort to get conventional arms talks moving, or an "initiative" at all, but an effort to catch up to a hard-charging adversary — in public opinion at that.

Public opinion is important, of course, but a president and an administration whose proposals are motivated primarily by public relations tactics confess that they have few of their own.

Nor will they long be convincing to anyone — including their own bureaucracy. Perhaps the Pentagon could not so easily hinder the announced chemical weapons withdrawal if it were known to be, for reasons of strategy and interest, the determined objective of Mr. Baker and Mr. Bush, rather than a low-cost effort to top Mr. Gorbachev's headlines.

The point has been well made by an unnamed administration official speaking to the New York Times. Of an official advising a relatively cautious American response to the opportunity created by Mr. Gorbachev's efforts to bring about needed change in the Soviet Union, the official remarked: "Until somebody is pushing from the top very strongly, it is not clear whether we will really take advantage of the opportunity."

Instead "yanking from the top very strongly," Mr. Bush appears to lack ideas about the important subjects on which Mr. Gorbachev for several years has been prolific with proposals.

When Mr. Gorbachev recently announced a cutback in nuclear materials production, the Bush administration dismissed it as meaningless. Even in public relations terms that is far from good enough. Worse, it missed a substantive opportunity to challenge Mr. Gorbachev on a proposal which, if genuinely pushed by the United States, might lead to useful arms limitations.

But administration officials concede that they don't want limits on nuclear materials that would interfere with the production of tactical nuclear weapons they think America needs. (For what? It might well be asking for it.)

Mr. Bush is said to be waiting for slowly evolving official studies of U.S.-Soviet relations, on arms control and strategic issues and on other military matters before "pushing very strongly from the top."

The world waits, however, for some sign of his ideas, convictions and goals. It is weak leadership, and bad public relations as well, that the president of the United States has let him self appear so far to have none.

The New York Times.

## East European Reformers Ought to Be Helped

By Milan Svec

WASHINGTON — It becomes increasingly obvious that, while many in the West want Communist countries to change their entire political and economic system to qualify for economic help, reformers, at least those in Eastern Europe, expect a more flexible approach. If a reasonable compromise is not found in time, reforms in the Soviet bloc will likely produce more unfulfilled promises than enduring results.

At first blush, developments in the Communist world support a Western wait-and-see attitude. After the exciting elections to the Congress of People's Deputies, it seems that not even the famous Russian winter will stop the victorious march of democracy. Authorities in Poland have reached an agreement with the opposition to legalize Solidarity and introduce democratic elections and other profound novelties. Hungarians, moving toward a multiparty system, hope to join the European Community one day. Some official politicians in the region have joined the public outcry over Czechoslovakia's crackdown on dissidents.

Since it is communism's troubles that are behind these changes, the argument that Western help would slow down rather than speed up reforms seems impeccable. Further, it is argued that Western help to inefficient economies would more likely produce new debts than economic gains.

Yet not only Communist reformers but also their new partners among opposition forces now passionately disagree with this conclusion. A strong case can be made that reformers are in greater need of Western help than ever before.

As the Iron Curtain between Eastern and Western Europe melts, another dividing line is being erected in Central Europe. On one side are East Germany and Czechoslovakia, stubbornly resisting restructuring and openness; on the other are reformist Poland and Hungary.

The former side of this new divide could become the anti-reformers' last bastion. But the latter side might as easily become a trap for reformers and even for the West.

With the new divide, it is economically better-off East Germany and Czechoslovakia that preach allegiance to Communist centralism. Heavily indebted Hungary and Poland look Westward. Should their speedy democratization and emerging free market fail to create economies more efficient than those of East Germany and Czechoslovakia, conservative Communists will claim victory. The belief that democracy and a free market equal a better life — the belief that has been the engine of opposition forces in Communist countries — could be shattered.

The Polish economy and society are close to total breakdown. If that happened, Communist conservatives would portray it as proof that while they cannot successfully handle economic and political change in certain East European countries, neither can democracy or a free market.

Aware of these dangers, the Polish government and the opposition agree on seeking Western backing, including debt relief. Lech Walesa, the Solidarity leader, is said to be considering trips to Western countries to lobby for such aid.

Mikhail Gorbachev, too, would be a loser if a line hardened between the economic performance of conservative East Germany and Czechoslovakia and that of reformist Poland, Hungary and the Soviet Union. His rival Yegor Ligachev drove this point home in Czechoslovakia last March shortly before the Central Committee plenum on agriculture in Moscow. Mr. Ligachev had nothing but praise for Czechoslovak collective farming, and noted, in implicit criticism of the most ambitious Soviet reformers, that in Czechoslovakia there has never been a single deviation from that policy.

Embattled conservatives in East Germany have also fought back. The newspaper Berliner Zeitung has sharply criticized economists "in a number of socialist states" and concluded that "the threat of unemployment in Poland, Hungary and the U.S.S.R. is not compatible with socialism."

The West German government has displayed the greatest sensitivity to the dangers and opportunities connected with reforms in East-Central Europe. Bonn is eager to expand its influence there and to prevent upheavals, not to mention a Soviet invasion that might send thousands scrambling for refuge in West Germany.

While Bonn's Ostpolitik might well play a useful role, however, only a coordinated Western approach can meet the larger challenge. But rather than centering on new credits, Western help should focus on teaching East European reformers how to install and operate a modern economy based on principles of a free market.

The West must successfully address the new divide in Central Europe and help reformers prove that democracy and a free market are preconditions for a functioning economy and productive relations with the West. This will make traditional communist virtually irrelevant.

Otherwise, it is reformers, opposition forces and the West who will likely suffer a loss of prestige and influence, while conservative Communist regroup and fight back with new vigor.

The writer, a former Czechoslovak diplomat, teaches in the United States and is writing a book on Soviet policy in Eastern Europe. He contributed this comment to The Washington Post.

## South Asia: Under an Indian Version of the Monroe Doctrine

By Sunanda K. Datta-Ray

CALCUTTA — By offering recently to supply sugar and petrol to the landlocked Himalayan kingdom of Nepal, Bangladesh has drawn attention to South Asia's mounting resentment over the application of an Indian variant of the Monroe Doctrine. It is widely referred to as the Indian press as "the Rajiv Doctrine."

The crisis between India (population 820 million) and Nepal (18 million) could not be more absurd. Not only are the two sides grossly unequal in power, but they are closely linked by ancient bonds of history, culture, religion and language. The combination makes the confrontation even more crucial as a test case of India's domination of the other six members of SAARC, the South Asian Association for Regional Cooperation.

It seems as if both governments deliberately let matters come to a head. Little serious effort was made to renegotiate existing treaties governing trade and transit between India and Nepal when they lapsed on March 23. Neither were the commercial agreements under which Nepal bought coal, salt, petrol and petroleum products from India renewed when they expired a week later. India has since mounted a virtual blockade against the kingdom, allowing the movement of only very small quantities of a few essential goods such as baby food and medicines.

India asserts that there can be no transit rights without formal agreement. But the real reason for virtually trying to starve out a small country, whose only other access to the outside world is over the high Himalaya into Tibet, is that New Delhi was 'displeased when Nepal bought AK-47 rifles, missiles and anti-aircraft guns from China in June.

This tough attitude is now typical

of New Delhi's relations with all its neighbors. India may not have made significant economic progress under Prime Minister Rajiv Gandhi, and a question mark may hang over his political future because of several unsavory domestic scandals. But in the South Asia region the relatively inexperienced Mr. Gandhi has given India grounds for being proud of their country. More successful in this respect than his statesmanlike grandfather, Pandit Nehru, or his formidable mother, Indira Gandhi, he has fenced out India's sphere of influence, not only marking it strictly out of bounds for political trespassers but spelling out what those who live on the compound can and cannot do.

Bangladesh and Bhutan, like Nepal, are prisoners of geography. Their treaties with India, as well as the tone and substance of political and commercial ties, reflect varying degrees of dependence. For instance, India has for many years stonewalled efforts by the kingdom of Bhutan, also landlocked in the Himalayas, to rewrite a treaty that forces it "to be guided by the advice of the government of India in regard to its external relations."

Hussain Mohammed Ershad, president of Bangladesh, has been just as unsuccessful in breaking out of the straitjacket of bilateral talks to save his country from a cruel annual cycle of flood and drought. Since the river system of Bangladesh draws water from India, Nepal, Bhutan and China, General Ershad was hoping for a six-country strategy that would have given him room for diplomatic maneuver. But although Mr. Gandhi initially agreed to Nepalese involvement, officials in New Delhi quickly scotched the notion.

Two events played directly into Mr. Gandhi's hands in asserting India's regional pre-eminence.

First, Sri Lanka's ethnic civil war between the Sinhalese and the Tamils enabled India to impose an agreement on Colombo under which the latter accepts, in effect, that Sri Lanka's foreign policy and defense strategy and even some of its domestic programs must be governed by the requirements of India's security.

Secondly, the speed, efficiency and professionalism of the Indian military operation mounted in November to crush a coup attempt against President Maumoon Abdul Gayoom of Maldives won plaudits from the leaders of the United States and Britain. Mr. Gandhi was firmly cast as the policeman of South Asia.

The only questioning voice is that of Pakistan, which is, in a sense, the one totally independent country left in the region, along with India. Perhaps this is one reason why the overtures for a rapprochement are mainly from the side of Benazir Bhutto, Pakistan's prime minister, and why Mr. Gandhi continues to accuse the Pakistani of mischief in the Punjab and Kashmir. However, Pakistan is no longer as quick to object when some foreign dignitary describes India as the region's leading power.

It would be simplistic to attribute this growth of Indian regional authority only to an accretion of military strength or to developments in nuclear capability, science and industry that have left the rest of South Asia far behind. India's present leadership is also ready to turn its back on the nonviolence that Mahatma Gandhi preached and Nehru believed in — and to separate the theory of nonalignment from national interests which might have to

be backed with armed intervention.

Some of India's neighbors felt that a multilateral organization like SAARC would strengthen their position in dealing with it. Junius Jayawardene, then president of Sri Lanka, spoke for many others when he said at the inaugural meeting in Dhaka in 1985: "The largest in every way, larger than all the rest of us combined, can by deeds and words create the confidence among us so necessary to make a beginning."

But it hasn't worked that way. India's insistence that SAARC should avoid politics, that it should not be

come involved in bilateral matters and that it cannot accept any help from beyond the region — even from such an innocuous organization as the Canadian government's International Development Research Center — has strengthened rather than diluted India's authority. After all, no other country in South Asia can match India's contribution in terms of money, expertise or manpower.

The writer is editor of the Indian newspaper The Statesman. He contributed this comment to the International Herald Tribune.

## 100, 75 AND 50 YEARS AGO

### 1889: Is Baseball French?

PARIS — The Ligue Nationale de l'Enseignement Physique has asserted that baseball is nothing but a reproduction of an old French game called "bêquet," and claims all the honors of the invention for France. In the game of "bêquet," a kind of club and a ball are used, and there are a number of posts around which the betting side must run; but there ends the similarity. The game resembles baseball just as much as a rough unwhipped paving-stone resembles one of Phidias' statues; there is stone in both.

### 1914: Imperial Death

TOKIO — The death of the Dowager Empress was officially announced at ten minutes past two o'clock this morning [April 11]. One year's mourning has been ordered, and all entertainments and Court functions are to cease forthwith. The body of the Dowager Empress will be taken in procession to the Alaska Palace.

### 1939: Smuggler Jailed

NEW YORK — Max Edgar J. Lauer, wife of State Supreme Court Justice Lauer, today [April 11] was sentenced to three months in jail and \$2,500 fine for smuggling \$1,433 worth of Paris furs into the United States with the aid of Albert N. Chaperon. Sentence had been delayed pending the trials of Jack Benny and George Burns, who also engaged Chaperon to smuggle goods into the United States. Benny paid a \$10,000 fine, and got a one-year-and-one-day suspended sentence. Burns paid an \$8,000 fine and drew a year's probation. Still to be settled is the exact amount of the Federal reward due Miss Rosa Weber, discharged German maid of the Lauer's, whose anger over their derogatory remarks concerning Adolf Hitler gave customs officials their tip-off in the cases. Hearing their comment on Hitler, she interrupted: "I love Adolf Hitler. If you don't quit talking like that I won't serve any more dinner."



## OPINION

## And Then the Poles Will Dance

By A. M. Rosenthal

NEW YORK — Lech Walesa came home from the factory, sat down in his living room and pointed a warning finger at the ceiling. "We are in the police department now, you understand?" he said, with a half-smile.

It was the same thing Poles used to say all over the country, ever since the Soviet Union imposed the Communists as rulers just after World War II. Somebody was always watching, always listening, even in your own home.

Outside the flimsy apartment building in Gdansk, the police cars had rolled up. When we drove away in our own car, they crowded us to the sidewalk, demanded our papers and radioed the information to Warsaw. It was a show for the neighborhood, to warn people away from this man Walesa.

That was about five years ago. Solidarity, the union that had become a national political movement, was outlawed — even wearing its pin was illegal. Mr. Walesa was out of jail but still a kind of prisoner. His words were banned, his movements restricted, his family harassed.

He reminded me of someone. It took me a while to place it in my mind. During the Detroit auto plant strikes of the 1930s, a photograph appeared in the newspaper — a working man who was a union organizer being beaten by company thugs, huddled against the blows, but not down. You knew, all America knew, that this man would rise and go back to organizing.

And now here is another picture: Mr. Walesa at the table, still a half-smile, signing an agreement with the Polish government. He sits while the

Polish minister of the interior, the top cop, hovers, as if in attendance.

Solidarity will have a piece of political power. There will be a free election for one of the two houses of parliament, and Solidarity, of course, will win. The other house, the presidency, the police, and military will remain under the Communists. But for the first time a Communist government will share some power with another political organization.

A fine day for Mr. Walesa, for Poland, for political freedom. That is

## ON MY MIND

said around the world. And it is also said that a triumph, too, for Mikhail Gorbachev, that in his era Poland is allowed to move toward a degree of liberty that no previous Soviet government would have permitted.

All these things are true. But why is there no outpouring of joy, no national burst of singing and dancing, why the restraint, even gloominess? The Poles certainly know how to sing and dance. Partly because they are so weary — of long lines, hard hours, nothing to buy, scrimping and scrounging, decade after decade under one corrupt, incompetent Communist government after another. They want to know whether the agreement will bring them more meat and milk and less of the eternal *nie ma* — "We don't have any."

And Poles never really have been satisfied with the slice of freedom the rest of the world always insisted should be

plenty for them. Perhaps they are not even satisfied with the new half-loaf of liberty their stubbornness won for them. Perhaps they are still stubborn enough to want the whole loaf of liberty, just as Americans do. Perhaps that is why there is no dancing.

Poles know it is not General Wojciech Jaruzelski, who tried for years to put down Mr. Walesa and Solidarity, who is now sharing power with them. It is Mr. Walesa and Solidarity and the Polish people who are sharing it with him.

If they had not signed that agreement, chances are that quite soon the general would have fallen and his whole detested government would have been unable to rule any longer.

Well, isn't that what the Poles wanted — an end to the imposed Communist rule? Yes, but they know that different as the Gorbachev government may be, the threat of Soviet military or economic intervention still remains. If the Polish Communist government falls altogether, Mr. Gorbachev might be unable to stay in power himself if he did not move — the unspoken threat.

A fine day. But it remains a fact of life that General Jaruzelski and every other Communist leader in Eastern Europe still owes his political existence to the possibility of Soviet intervention.

So the Poles really are not difficult to understand. If a foreign power had dominated and ruined the life of the United States for almost half a century, Americans would be glad of movement toward liberty. But I think we would save our dancing in the streets for another day, now nearer, believing that it must come.

The New York Times



## If the Editor Isn't Greeley, Who Does He Think He Is?

By Richard Harwood

WASHINGTON — Members of the American Society of Newspaper Editors, 1,000 strong, start meeting in Washington today to transact a little business, savor a little entertainment and a wee bit of booze and examine once more the interesting question of who they are in the brave new world of corporate journalism.

They are not, for openers, Horace Greeley or James Gordon Bennett. That breed has vanished. Those were unin-

## MEANWHILE

hibited mavericks and entrepreneurs who made newspapers in their own images and invented the strong and distinctively American style of journalism.

Through their newspapers, William Randolph Hearst once boasted, editors "suggest and control legislation," "declare wars," "punish criminals" and "control the nation." He was guilty, as usual, of hyperbole, but it is nonetheless true that editors once were central players in the great events of their time.

That ancient history will not be repeated. Ours is the Corporate Age, the Age of Bigness. The press critic Ben Bagdikian estimates that 50 corporations control "most of the output of [American] daily newspapers and most of the sales and audience in magazines, broadcasting, books and movies."

Specifically, the great chains, including foreign investors, have obtained posses-

sion of 70 percent of all U.S. dailies and an even greater share of revenues. There may be more to come. Nicholas Nicholas Jr., the president of Time Inc., says that soon there will emerge, on a worldwide basis, six, seven, eight "vertically integrated media and entertainment megacorporations." He adds, "At least one will be Japanese, probably two. We think two will be European. We think there will be a couple of American-led enterprises, and we think Time Inc. is going to be one."

In this institutional culture, today's editor is a hired hand whose tenuous career is enveloped and circumscribed by the values and imperatives of the chain or conglomerate to which he belongs. He may not be interchangeable with the middle managers of General Motors or IBM, but the management skills and bureaucratic agility demanded of him are not dissimilar.

He must understand and deal with a distant hierarchy to which and through which petitions are addressed and accountings rendered. Budgeting and financial planning processes must be understood, personnel policies and "sensitivity" skills mastered. There are production and circulation problems to address, "community relations" requirements to be met. The goals on which bonuses and other financial rewards depend must be satisfied.

These functions consume great amounts of the modern editor's time and energy and intrude heavily on the intellectual life that editors need and are presumed to pursue. Books are unread, films are not seen, journeys are not taken. The mind atrophies; the disease of insularity sets in.

John Morton, a leading financial analyst of newspaper companies, has identified another characteristic of the publicly owned company:

"The financial community is primarily interested in financial performance. This is an audience that has a natural inclination to think of an editorial staff as a nonrevenue-producing controllable expense. Unfortunately, some newspaper managers tend to look at journalists that way, too. It is not easy to convince this audience of the need sometimes to increase editorial spending in the face of rising competition and even rising costs."

The agenda of the editors' society meeting this year reflects the realities and confusions of the present age:

"Who's a Journalist?"

"Media Buyers [that is, advertisers] Look at Newspapers."

"Advertisers in Our Future" — a reference to paid policy statements.

The real tip-off to the identity crisis, however, will come in another seminar: "The Editor's Job: What Is It Now?"

The writer is *ombudsman* of *The Washington Post*, in which this appeared.

## LETTERS TO THE EDITOR

## 'Success' in East Germany

Regarding "Is East Germany's Record Proof That Communism Virtues Are German?" (March 14) by Henry Kamm:

The notion that German Communist qualities put East Germany at the top of the Communist world in productivity and technology is ahistorical. The article never mentions that Germany was a highly industrialized society before 1945 — already at the top in the region. The present position of East Germany's economy has everything to do with that.

The article reports official utterances about East Germany's upholding traditional Communist dogmas, but it neglects the influence of geography. Wojciech Jaruzelski can try to pose as a liberal Communist (although the difference between a liberal and a liberal Communist is as great as that between a chair and an electric chair) because there is no other Poland against which his "liberalism" can be measured. But who would take seriously a counterfeiter in East Germany, when the genuine German article is right across the border?

East German Communists must stick to old Communist dogmas, whether they believe in them or not; it is their only rationale. They have no "liberal" option.

JAN WINICKI

Warsaw

## Why Not Tell SWAPO?

In response to the news analysis "Weak Link in Namibia Pact: SWAPO Had No Part" (April 5) by Dave Clements:

It is time for both Secretary-General Javier Perez de Cuellar of the United Nations and the U.S. assistant secretary of state for African affairs, Chester Crocker, to open lines of communication to the South-West Africa People's Organization and give its surviving members straight-forward information as to what is expected of them and what they can expect of the UN Transition Assistance Group and the Angolan government.

What the Namibian-South African police and military forces want to do with SWAPO members is now plain enough.

J. WENK

Zurich

## Leave Rambo Out of It

Regarding the editorial "Reason vs. Rambo Guns" (March 16):

The term "Rambo Guns" refers to weapons used by a fictional film character. Such terminology has no place in rational argument. It is an attempt to play on the emotional response that such a character brings to mind.

The editorial asserts that drug runners buy semiautomatic weapons and convert them to full automatic operation. While what is technically feasible, why bother? Any individual with the resources to purchase and import large quantities of illegal drugs can certainly obtain any type of weapon he chooses.

It is argued that a weapons ban can be effective only if it is nationwide. But what is to stop imports of illegal arms? The government has not been able to stop the flow of cocaine or illegal aliens across U.S. borders; it would not be any more effective against illegal weapons.

Rather than call for restricting the freedom of the majority, it would be better to call for stricter enforcement of

existing laws and prosecution and punishment of the criminals who break them.

JOSEPH C. HOFER 3d

Iselin, New Jersey

## About the Imperial Lineage

Regarding "Eastern Europe: Soon Fit for Ordinary Mortals" (Opinion, April 8):

Francis Ferdinand was not the son of the Austro-Hungarian Emperor Francis Joseph; he was his nephew. He became the heir because of the death of Francis Joseph's son, Crown Prince Rudolph, a century ago at Mayerling and the death of his own father, Archduke Charles Louis, a few years later. Charles, who became the last emperor in 1916, was the nephew of Francis Ferdinand and the grandnephew of Francis Joseph.

W. W. HALL

Novato, California

Zita of Bourbon-Parma, the last empress of Austria and queen of Hungary, was not born in Spain but in Italy, at the Villa Piamore, near Florence. The Austro-Hungarian empire was dismantled main-

## More Than the Microchip

Regarding "Get Smart or Face the Music Again" (Meanwhile, March 21):

Dave Barry's frustration over the academic performance of American youth rings loud and clear. However, having taught in the Japanese public school system, I can't help but be grateful I was educated in America. I was taught that it is all right to have opinions, make choices and think for myself. Here, learning is mainly rote memorization. Perhaps this sounds ideal to some people; it depends on whether you think mastering the microchip is more important than understanding man's relationship to the world.

D. FOERSTER

Yokohama, Japan

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## North Tells Court Reagan Never Said To Lie to Congress

WASHINGTON — Oliver L. North testified Tuesday that neither President Ronald Reagan nor Robert C. McFarlane, then head of the National Security Council, ever told him to lie to Congress to hide covert support to the Nicaraguan rebels.

Mr. North, a Marine lieutenant colonel who was a member of the National Security Council staff, has consistently testified at his trial in federal court that he had approval from the highest officials, including the president, to secretly support the Nicaraguan rebels during the period from 1984 to 1986 when U.S. military aid to the rebels was being banned by Congress.

But under cross-examination in the fourth day of his trial, Mr. North testified that Mr. Reagan "never told me" to lie to Congress about his actions.

He also said that Mr. McFarlane told him only to "take a stab" and never advised him to lie in August 1985 in drafting a response to congressional inquiries into activities on behalf of the Contras.

"I tried very hard to live within the limits of what I was told to do," he said of Mr. McFarlane. "I was not concerned that a letter from a cabinet officer to a member of Congress would be against the law."

Mr. North drafted the letter for Mr. McFarlane after Lee H. Hamilton, the Indiana Democrat who headed the House Intelligence Committee, asked about reports that Mr. North was supplying arms and tactical support to the Contras.

Mr. North, who is charged with 12 criminal counts, including lying to Congress, already has testified that he deceived Congress in a White House briefing in 1986.

As his justification, Mr. North has said repeatedly that he had government authorization to perform highly sensitive secret operations in the plan to sell arms to Iran in exchange for the release of U.S. hostages in Lebanon, and then to funnel proceeds of the arms sales to the Contras despite the ban on aid.

**Funds Misuse Denied**  
George Lardner Jr. of *The Washington Post* reported earlier: Mr. North denied taking funds for his own use and said he had a \$15,000 "family fund" in a metal box bolted to his closet floor at home that he used for personal and "operational" expenses.

Mr. North said Monday that he kept his "operational" spending in meticulous order, recording income and spending in a special ledger given to him by William J.

Casey, then director of the Central Intelligence Agency.

"He told me to keep very, very careful records," Mr. North said of an Iran-contra fund of \$240,000 to \$300,000 in cash and traveler's checks that he said he kept in his safe at the Old Executive Office Building, next to the White House.

"Is the ledger still around?" John W. Keiser, the chief prosecutor, asked as cross-examination began.

"No, it is not," Mr. North replied. He said it was "put in the shredder" in October or November 1986 when the Iran-contra affair was beginning to unravel.

"Director Casey told me to and I did it," Mr. North said.

At another point, Mr. North reacted angrily as Mr. Keiser suggested that he had not only cashed for his own use several thousand dollars in traveler's checks from Adolfo Calero, a Contra leader, but that he had received \$3,000 in cash from Richard V. Secord, Mr. Secord, a retired Air Force major general, helped Mr. North arrange arms purchases and set up supply networks for the Contras.

Mr. Keiser pointed out that on Oct. 5, 1985, Mr. North bought a used automobile for \$8,038, paying \$5,000 cash and promising to pay the rest within four days.

Mr. North said the down payment came from a "family fund" with "upwards of \$15,000 in it" that he had started years earlier with an insurance settlement.

Mr. Keiser asked if Mr. North received \$3,000 more from General Secord on Oct. 5, 1985, for "hostage release" purposes.

"I do not recall," Mr. North replied.

Mr. Keiser later showed Mr. North an excerpt from General Secord's records and asked: "Does that refresh your recollection about getting money from General Secord on Oct. 5, 1985?"

"No," Mr. North replied. "I got a lot of money from General Secord on a lot of occasions."

He insisted that each time he was reimbursing himself for money he had paid out of his own pocket on Iran-contra work when the "operational fund" was empty.

**Train Kills 5 French Youths**  
Marseille — Five young French Army conscripts were killed early Tuesday when they apparently dived from the wrong side at the station of Cassis and were struck by the Nice-Bordeaux express.



HAITIAN HIJACKING ENDS — Two Haitian soldiers being led away from a plane they hijacked from Port-au-Prince, Haiti, to Miami. They were being questioned about their role in a recent failed coup attempt in Haiti, the authorities said. On Tuesday, a Roman Catholic radio station in Haiti reported that about 230 soldiers in the rebellious Dessalines Battalion had surrendered.

## Kennedy Shifts Supreme Court to Right

By Al Kamen

Washington Post Service

WASHINGTON — When Justice Anthony M. Kennedy took his seat on the Supreme Court 14 months ago, after the Reagan administration's exceptionally bitter fight with Congress over the failed nomination of Robert H. Bork, no one doubted he was a conservative.

The only question was whether he was a moderate conservative, like his predecessor, Lewis F. Powell Jr., and Justice Sandra Day O'Connor, or a more hard-line conservative, like Chief Justice William H. Rehnquist and Justice Antonin Scalia.

The answer, so far, is that Justice Kennedy is as conservative as any justice nominated by President Ronald Reagan. At least as conservative as Mr. Bork was expected to be, Justice Kennedy has moved the court's center much further to the right than analysts on either side of the ideological divide expected.

Justice Kennedy's replacement of Justice Powell has left Justice O'Connor as the controlling vote in all closely divided decisions involving affirmative action, separation of church and state and, most importantly, on the highly emotional issue of abortion rights. That is a significant shift, liberals and conservatives agree, because in many of those cases Justice O'Connor had been more conservative than Justice Powell.

As the current term approaches the halfway point, with 61 decisions handed down, Justice Kennedy has sided with Justice Rehnquist and Justice Scalia 92 percent of the time. Of the four Reagan appointees, only Chief Justice Rehnquist sides less frequently with two liberal justices, William J. Brennan Jr. and Thurgood Marshall.

"Anthony Kennedy has made me very happy," said Daniel Pappas, general counsel of the conservative Washington Legal Foundation. "The laugh is on all those people in the Senate who wanted a litmus test on Bork." Noting that at age 52, Justice Kennedy was likely to serve on the high court for a long time, Mr. Pappas added: "What's so wonderful about it is that he is so young and healthy."

Gary McDowell, vice president of the conservative National Legal Center for the Public Interest, said that conservatives "got more of what they were looking for ideologically" with Justice Kennedy than they would have with Mr. Bork.

"Bork would have been a much more independent thinker, as Antonin Scalia is," Mr. McDowell said. "What's amazing is how the liberals thought they had won defeating Bork. What they got was really much more of what they feared was in Bork."

But liberals who led the fight against Mr. Bork said they would do it all over again. Ralph Nease, executive director of the Leadership Conference on Civil Rights, called the Bork fight a "historic battle and an important victory." He said that the Leadership Conference did not oppose Justice Kennedy. Only the National Organization for Women and a handful of other groups opposed his confirmation.

"The Leadership Conference expressed its concerns about Kennedy during the hearings," Mr. Nease said. "Sadly, those concerns seem to be coming true."

Nan Aron, head of the liberal Alliance for Justice, called Justice Kennedy a "big disappointment."

But she said that he had not shown a predisposition to vote against civil rights and liberties and women's rights before he joined the court. "We're looking for evidence of open-mindedness," she said. "The jury's still out."

## Wright Rejects House Counsel's Findings

By Michael Oreskes

New York Times Service

WASHINGTON — The outside counsel to the House ethics committee has recommended that the speaker, Jim Wright, be held in violation of a series of House rules, and the Texas Democrat has countered with a spirited defense urging that the findings be rejected.

Both the allegations and the defense are outlined in a document prepared by Mr. Wright's attorney, William C. Oldaker, for the resumption of the House Committee on Standards of Official Conduct.

According to the document, the committee's special counsel, Richard J. Phelan, has recommended that Mr. Wright be held in violation of House rules for his financial relationship with a Fort Worth, Texas, developer and for a publishing arrangement in which lobbyists, other interest groups and colleges made bulk purchases of a book by Mr. Wright.

In almost identical language in each case, the document said that "Speaker Wright respectfully requests that the committee find that no violation of House rules occurred" and argues that Mr. Phelan misread the facts and the rules.

While Mr. Wright's supporters are braced for a finding by the committee that the speaker violated some rules, members of the ethics committee are also understood to have argued with many of Mr. Phelan's interpretations.

There have been previous hints that Mr. Phelan was pushing to have Mr. Wright cited for such violations, handling his assignment as that of a prosecutor presenting the worst possible case.

In a separate development, but related to the swirl of ethics issues facing the government, President George Bush has decided not to

endorse a blanket ban on members of Congress receiving payment for speeches and other public appearances, despite the recommendations of his own ethics commission.

A presidential commission on ethics in government had urged such a limit on outside income, but the officials said Mr. Bush preferred to work with Congress on the issue in the context of a pay increase for the legislators, instead of treating the issue in isolation.

When he announces the proposals on Wednesday, Mr. Bush also plans to propose a 25 percent pay increase for federal judges.

## Bush Calls Reagan to Apologize

By Maureen Dowd

New York Times Service

WASHINGTON — President George Bush telephoned Ronald Reagan last week to apologize for reports that White House aides were belittling the former president, White House officials say.

John H. Sununu, the White House chief of staff, ordered senior administration aides to stop comparing Mr. Bush with the former president after angry Reagan loyalists said aides were trying to make Mr. Bush look good at Mr. Reagan's expense.

The tension erupted publicly Monday when Martin Fitzwater, the White House spokesman, rebuked a reporter who wrote a column charging that Bush aides had been "treating" Mr. Reagan "as ill-informed, lazy and detached."

White House officials said Mr. Sununu sternly dressed down senior aides in two staff meetings. Mr. Fitzwater said that Mr. Bush called Mr. Reagan last week to tell him that he was "very concerned" about the comments that some White House staff members anonymously gave to reporters writing about the working styles of the two leaders, with Mr. Bush portrayed as more engaged and energetic.

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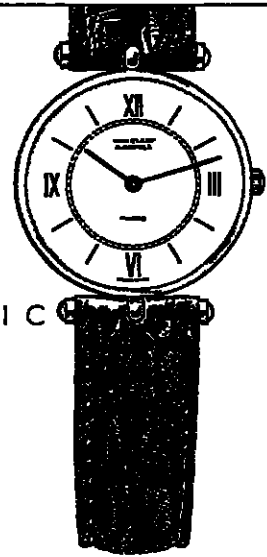
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**NEW YORK**

# Herald Tribune

## Abdication of King Edward Held Inevitable

Announcement of Move Expected Monday:  
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12-4-89

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MAY 31, 1989

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### The Program

Chairmen: Alan R. Devereux, Chairman, Scottish Tourist Board  
Jack Shaw, Executive Director, Scottish Financial Enterprise  
Axel Krause, Corporate Editor, International Herald Tribune

9:00 Chairman's Introductory Remarks  
9:15 THE OUTLOOK FOR THE ECONOMIC AND BUSINESS CLIMATES  
Sir William Fraser, Principal and Vice Chancellor, Glasgow University  
10:00 NEW INVESTMENT POTENTIAL AND SCOTLAND'S COMPETITIVENESS  
Professor Neil Hood, Director, Employment and Special Initiatives, Scottish Development Agency  
Gavin Laird, General Secretary of the Amalgamated Engineering Union  
Eric Wilson, Managing Director, TSB Scotland plc

11:15 COFFEE  
11:45 THE BUSINESS CLIMATE IN THE 1990's  
Philip Rhodes, Operations Director, United Distillers Group  
Eckhard Pfeiffer, International Vice President, Compaq Computer Corporation  
Ronald Dunn, Managing Director, Ferranti Defence Systems

13:00 LUNCHEON  
14:30 SCOTLAND - AIRBRIDGE TO EUROPE  
Sir Colin Marshall, Chief Executive, British Airways plc  
15:15 SCOTLAND AND THE INTEGRATED EC MARKET IN 1992  
A VIEW FROM BRUSSELS  
Etienne Reuter, Chief Spokesman for Commissioner Bruce Millan, Regional Policy, European Commission  
IS SCOTLAND READY FOR 1992?  
Bryan Gould M.P., Shadow Secretary for Trade and Industry  
Cameron Buchanan, Managing Director, George Harrison & Co., Edinburgh Ltd.  
16:30 CULTURE AND TOURISM: AN UNTAPPED POTENTIAL?  
Maurice Cantley, Director of Marketing, Highlands and Islands Development Board  
Robert Palmer, Director of Festivals, Glasgow 1990  
17:15 CONSERVATION AND THE ENVIRONMENT: THE CHALLENGE OF THE 1990's  
Lord James Douglas-Hamilton, Minister for Home Affairs and the Environment, The Scottish Office  
17:45 Chairman's Closing Address.

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12-4-89



**By Sanjoy Hazarika**

As many as 25 legal challenges to the Supreme Court's decree have been filed by

medical documents, and Mr. Satyam said that about 40,000 are ready for immediate distribution of funds.

Yet, no claims have been filed on behalf of 350 people who died within hours of the disaster.



**By Barbara Crossette**

## MILITARY: S

**The presence of Chinese contrac-**

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**New York Times Service**

gillias and 27 policemen and sol-

The first two of nine assembly points opened Tuesday at Okankolo and Nkongu. The other seven are scheduled to open Wednesday. Each is to be manned by 10 UN soldiers and five other UN officers as observers.

(Continued from page 1)

He observed that if relations between the Soviet Union and Japan improved, Tokyo might be tempted to deploy some of its forces "to the south" to secure maritime trading arteries. But General Murdani said that a direct Japanese military

A senior Malaysian naval official told a conference on ASEAN military cooperation in Singapore last month that ASEAN navies should divide the South China Sea into "three zones of interest."

(Continued from page 1)

reach their peak, they're dispersed by a slight rain or breeze. Then it's gone."

The interviewer, Akihiko Tamura, was finding that the festivities were loosening up the conversation a bit. Most men he spoke with admitted that they saw little of

Instead, the money was being kept by their wives, who control the purse strings in many families. "Because they're drinking, the husbands are telling the truth," Mr. Tamura said.

**SHERIDAN MORLEY**  
IN THE EVERY WEDNESDAY WITH  
PERCEPTIVE CRITICISM  
OF THE LONDON THEATRE

**SHERIDAN MORLEY**  
IN THE INTERVIEW WEDNESDAY WITH  
PERCEPTIVE CRITICISM  
OF THE LONDON THEATRE

## (Continued from page 1)

But some legislators in the governing party said Mr. Takeshita's explanations could not undo the damage. It has tainted every top

have been signaling that he no longer hoped to win a second two-year term when his first expires next fall. But the prime minister also said he did not intend to resign or call new elections.

Under the Asahi newspaper, after sampling public opinion, chose the headline: "Angry Citizens Say, This Is Nonsense."

party leader as well as opposition politicians, bureaucrats and leading businessmen and has paralyzed

The Recruit scandal began in June with allegations of influence-peddling and insider stock trading.

[The Tokyo Stock Exchange's key index rebounded sharply after Mr. Takeshita's remarks. The Associated Press reported. The 225-issue Nikkei Stock Average shot up by 250.56 points, or 0.76 percent, closing at 32,340.58.]

Mr. Takeshita's popularity has fallen to lows that no previous prime minister has survived. But no likely successor has emerged who did not also take Recruit funds.

Recruit offered unlisted stock in

[Kenji Ishizuka of Daiwa Securities in Tokyo said: "Early-morning trading started amid a cautious

Although the opposition has called for Mr. Takeshita's resignation and new elections, the government has vowed to press on despite

its company to scores of influential people shortly before the stock went public and predictably soared in value.

## Readers

**BELFAST** — The British government temporarily lifted a broadcasting ban Tuesday on politicians who publicly support guerrilla violence in Northern Ireland.

next month and will be reimposed immediately after the polls close on May 17. It will be lifted again in June for elections to the European Parliament. The ban was imposed in October as part of a security

The ban was lifted in the campaign to local government elections

**crackdown on the Irish Republican Army, which is fighting to end British rule in Northern Ireland.**

J.N. Mak, senior defense analyst at the Institute of Strategic and International Studies in Kuala Lumpur, said that although combined ASEAN maritime forces would not be as powerful as Japanese or Chinese naval units, "what ASEAN can do is to provide a local command environment to a

permanent supplement to a reduced, possibly even intermittent, U.S. naval presence in the region."

Instead, the money was being kept by their wives, who control the purse strings in many families. "Because they're drinking, the husbands are telling the truth," Mr. Tamura said.

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## ARTS / LEISURE

## Paul Taylor: Dancing in Tongues

By Otis Stuart  
New York Times Service

NEW YORK — "A dance," Paul Taylor, the choreographer, was saying in the living room of his townhouse in lower Manhattan, "should do its own talking."

The Paul Taylor Dance Company's annual spring engagement at City Center began Tuesday, and Taylor is presenting two new works: "Mimikins Fair" and "Speaking in Tongues."

Discussing them is an aspect of his profession that Taylor doesn't relish. In making a dance and in watching one, he said, "The dance will tell you everything you need to know." It's not an idle statement. The new pieces clearly reflect two very different facets of Taylor's work — the prankish and the profound.

It is in the more serious of the two that the 58-year-old artist reveals his attempts to probe the mysteries of the life cycle.

"Mimikins Fair" set to circus-inspired music by David Kobitz, Douglas Wiseman and T. Spae, is from the antic Paul Taylor, the one who in 1983 made a cottage out of dwarfs for his fractured update of "Snow White" and in 1986 cracked up some antique statuary in "From Soap to Nuts."

"Mimikins Fair" is peopled by characters named Major Midge and Double-Dwarf, as well as a group called the Quadrupeds.

Beginning with its title, the second new work, "Speaking in Tongues," focuses on the darker side of the human experience, and does so by using both spoken and danced vocabularies.

As Taylor described it, "Speaking in Tongues" is "about redemption and spiritual values," two concepts more customarily the province of the written word. Words are, in fact, everywhere in the dance: Spoken texts are woven into the commissioned score by Matthew Patton, and the set, designed by Santo Loquasto, is literally draped in words — the walls of a rural meeting hall are covered with rows of unconnected words.

Further, the stock-in-trade of the tormented central figure in "Speaking in Tongues" is the spoken word,

although in developing the role of the sober-suited preacher, Taylor avoided literalizing his ministry through pantomime or actual speech.

Danced by one of two Taylor Company veterans, Elie Chhab or Christopher Gillis, the character is, by turns, manic and compassionate, joyful and despondent, a man who has looked into the abyss.

"It seems to me," Taylor said, "that there is a kind of tradition in religion for gods or representatives of gods, and especially men of the cloth, to be a mixture of dark and light."

"And this particular man of the cloth I have tried to make like a fallen angel. And he's crazy — one minute he's in the depths of despair and a split-second later he's elated. He's like any savior, anyone who sees visions. People who have visions or who believe they are someone else are dealing with hidden parts of themselves, healing parts of themselves."

The elements of "Speaking in Tongues" are specific — a real community, its needs, its gods and demons — and are characteristic of Taylor's work. "Most of my pieces — or an awful lot of them," Taylor said, "are about community."

The contemporary society depicted in "Speaking in Tongues" differs, however, from those in other recent large-scale Taylor works, such as the pre-language tribe of his "Musical Offering" and the convulsive collapse of a futuristic society in "Last Look," both of which will be danced during the City Center engagement.

"Speaking in Tongues" is set seemingly in a small town, explained Taylor, who attended Virginia Episcopal, a prep school in Lynchburg. "And the people are not rich. It seems to me that there's some kind of memory I have of the South, but actually it could be anywhere."

"Speaking in Tongues" ends, Taylor said, with an acknowledgment of death. "The last image," he said, "is what people don't want to hear — and that is that we all die. That's the cycle. It's the law, the rule."

"And to me, death is not the end. It all keeps getting recycled. But it isn't a terrible thing. Loss is hard. Someone else's death is hard. But your own death shouldn't be hard. That's how all our stories end."



Paul Taylor, in jacket, oversees rehearsals of his "Speaking in Tongues."

Jack Mitchell/The New York Times

## 'Barbarians': Not-So-Innocent Britons Abroad

By Sheridan Morley  
International Herald Tribune

LONDON — To the Hampstead Theatre from the Royal Exchange in Manchester comes Michael Wall's "Amateur Barbarians," an impressively angry and blackly comic account of the two English drug traffickers sentenced to death in Malaysia several years ago. At first the heroes appear to be the heroin-carriers: We find them as Englishmen abroad among sav-

Michael Wall has written a tough, cynical drama of the new English abroad, one that takes the view that they have become their own worst exports.

ages, in a prison cell where it soon becomes clear that one (Dominic Keating) is a soccer thing out of his depth while the other (Rossa Viber) happens to be a more sophisticated professional dealer.

But as we start to meet their appalling families, and listen to their attitudes to the Malaysian world that has suddenly entrapped them, it becomes clear that the barbarians Wall has in mind are not the local captors but the men themselves.

It is the Malaysians who behave best, right up to the hanging of the criminals — they who have an ethical code of values, they who know about decent behavior, they who are now left to try and remind the traveling Britons of a morality that they first took from Britain itself but now can no longer find among their visitors.

Wall has written a tough, cynical drama of the new English abroad,

one that takes the view that they have become their own worst exports, a tribe of meandering barbarians perfectly content to spread greed and corruption around the world so long as some of the loot can be carried home in duty-free containers.

In the two central roles Keating and Viber set up a plausible odd-couple relationship, while Christopher Hancock, Avril Elgar and Rosalind March as their respective parents indicate all too clearly how the lads ended up with nooses around their necks.

On the Lyttelton stage of the National, David Storey's "The March on Russia" reunites him with the director Lindsay Anderson and the actors Bill Owen, Constance Chapman and Frank Grimes for another of the Yorkshire family sagas ("In Celebration," "The Contractor") by which that remarkable team enriched the 1960s at the Royal Court.

In scripts such as those, as in films like "This Sporting Life," Storey and Anderson created a kind of dramatic poetry out of ordinary North Country lives of quiet desperation, but here there is a strong whiff of mothballed and the feeling that we are revisiting past times.

The occasion is a 60th wedding anniversary, for which the old couple (Owen and Chapman) have gathered their depressive school-master son and two rather livelier daughters, one of whom has become disloyally Thatcherite. The old socialist values are now under real threat, and Owen is left with little to show for 40 years down the mines unless it be the memory of one historic trip he took to Russia, soon after World War I, in a futile attempt to rescue the czar's family.

Just as the march led to nothing more than confusion and eventual retreat, so Storey is saying that the journey of a lifetime has been sacrificed to a welter of political and social confusion.

Again this is a play about a homecoming and a realignment of relative values: Marriages have

## THE LONDON STAGE

gone sour, husbands are henpecked, wives are getting noisier and more conservative by the day, and there is not a lot left for a man approaching 80 but the occasional crossword and a little shoplifting through senility.

This is a lyrical and lovely play about whatever happened to the heroes of Storey's earlier scripts.

Admirable though it is, in the spirit of new European artistic collaboration, to have the burgtheater of Vienna, the Hebbel-Theater of West Berlin and the Almeida of North London join forces on a single production, I can't help wishing it had been something rather more notable than Pushkin's "Mozart and Salieri" now to be seen here after brief runs in Austria and West Germany.

Described by the author as "a little tragedy," it is little more than a two-character sketch, one that was then developed by Peter Shaffer into the infinitely more detailed and intriguing "Amadeus."

Pushkin, too, starts from the premise that Salieri poisoned Mozart, before bringing the two composers together for a rambling 40-minute dialogue about life and death, success and failure, music and art, all of which get a few portentous moments of discussion as if the speakers were desperately trying to fill up even so short a time as this before going on to something really important like lunch.

Apparently aware that the script was so thin as to be anorexic, the director Manfred Karge has dressed it up in every way imaginable; for the two composers, he has cast the actress Tilda Swinton and Love Brunner, who in London and Vienna created the role of the transvestite crane-driver in his own monologue "Man to Man" a couple of years ago.

This is clearly a family affair: Brunner is Mrs. Karge, and the two actresses have come up with their own somewhat halting translation of the Pushkin into English. They also play it dazingly, Swinton in particular giving a marmoset and manic virtuoso keyboard performance as a vaudeville clown Mozart, up against the rigid puritanism of Brunner's Salieri. But without Shaffer, there is still no play here.

THE TELEVISION INDUSTRY is busy with several projects, but "La Révolution Française" is the biggest. Shooting is still under way on the series, which will cover the turbulent times from the reopening of the Bastille to the execution of Robespierre in 1794.

The French Army has supplied 6,000 soldiers as extras for the project, whose shooting has taken five months. Its directors are Robert Enrico, the French filmmaker, and the Briton John Guillermin, whose credits include "The Towering Inferno" and "Death on the Nile." Enrico is supervising the first half, and Guillermin is directing the second.

Among the cast will be Peter Ustinov as Mirabeau and Sandrine Bonnaire as Charlotte Corday. On the stage, Hossein's pageant at the Palais des Congrès features an enormous company that spills over into the auditorium to drag in the audience while Robespierre and Danton enter into rhetorical disputes.

At the Théâtre de la Huchette "Les Mystères de la Révolution" (The Mysteries of the Revolution) are recounted in a detective story manner. The miniature spectacle was devised by Nicolas Bataille from the fiction of Alexandre Dumas.

The notorious impostor, Cagliostro, with his clairvoyant gifts works his wiles as a puppet-master on such diverse personalities as Marat, Madame du Barry, Rousseau and Guillotin, the physician who invented the beheading machine to speed up execution only to fall victim to it himself.

The remains of the convent of the Cordeliers, which had fallen into disuse long before the Revolution, have been rescued from neglect. Between 1790 and 1794 it became the most radical club, and included among its members Danton and Marat. It was destroyed in 1877, but its vaulted hall refectory was turned into a school for medicine. Now it is serving temporarily as a theater.

The occupant of its performing space is "Une Folie électrique," which Françoise Thivry has adapted from Denis Diderot's story of a scientist who invents a lightning-bolt machine during the Revolution.

Voltaire was a fiery instigator of the overthrow of the throne. His effective attacks are represented in "Voltaire's fables," a pastiche of his speedwork with brief skits from his writing exposing the enormities of injustice and stupidity practiced by church and state in the bad old days. This intimate revue, a hit of last season, has returned to the Comédie de Paris after a national tour.

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## WORLDWIDE ENTERTAINMENT

## LES BALLETS DE MONTE CARLO

Under the Presidency of H.S.H. Princess Caroline of Monaco

SALLE GARNIER

April 19th and 20th at 8:30 p.m.

## JUST ANOTHER DANCE

Music: Camille Saint-Saëns

Choreography: Dennis Wayne

Original productions:

## BLUE BLUES

Music: Igor STRAVINSKY, Leonard BERNSTEIN, Miles DAVIS

Choreography: Philippe LIZON

## IN THE MIDDLE... SOMEWHAT ELEVATED

Music: Tom Williams

Choreography: William Forsythe

Tickets available in the Attium of the Casino

daily from 10 a.m. - 12:30 &amp; 2-5 p.m.

Tel: 93 50 76 54 - FF 90 - 200.

Reductions for groups, associations and students.

To send for tickets: BALLETS DE MONTE CARLO - Casino - 98000 Monte-Carlo.

## Dining Out

## NEUILLY

## LA BOUTARDE

The real French bistro of the 30's. Trad.

Sunday and Monday. Tel: 47 45 54/55.

## PARIS 1st

## LE SOUS BOCK

400 beers. Trad. cuisine. Int'l cocktails and

dishes. Sauerbraten, Irish stew, Goulash, etc.

con. Come. Open from 11 a.m. to 5 a.m. non

stop. 49 rue St. Honoré. Tel: 40 26 48 61.

## L'ALSACE AUX HALLES

Shelfish, Fish, Choucroute.

Tel: 42 36 74 24.

## AU PIED DE BICHE

Near the Place de la Victoire. Authentic 1930

Bistro - Traditional cooking

Fish and duck specialties

4, rue Le-Vallois. Tel: 42 61 43 78.

## PARIS 2nd

## KITTY O'SHEA'S PUB

Sister of the famous Dublin Pub located 50

yards from St. James's. The French home

of high quality food and excellent drinks.

Cp. 7 days, 10 a.m. to 11 p.m. Tel: 47 15 08 03.

## JOHN JAMESON

The Irish Whiskey Restaurant in Paris, recommended

by many guides. Business lunch FF 75 and

à la carte. Sunday brunch. Closed Monday.

10 rue Capotone. 40 15 00 30.

## PARIS 4th

## LA PERLA

Mexican cooking - Tropicana-Cocacola-Tropical

atmosphere. Open daily from noon to 2 a.m.

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## PARIS 5th

## AMERICAN STYLE

Traditional American cuisine. Boston chow-

der, corned beef, pork, steak, lobster, Friday

&amp; Saturday night jazz. Cl. Sunday, 31, rue

Lian, 75002 Paris. Tel: 47 07 06 49.

## JEAN MARE JORDAN

Formerly Raffles at Hôpital, now in the heart

of the American gastronomic press. Traditional

cuisine. Local French dishes. Open daily.

New York St. Louis, 16 Bd Saint Germain.

Tel: 43 54 22 21.

## PARIS 7th

## CHEZ LES ANGES

In the Michelin Guide. Burgundy Spec.

Gastronomical cooking. Cl. on Sun. eve.

54, Bd. Laiton-Moulois. Tel: 47 05 89 88.

## PARIS 8th

## CIRCUS LINE

Close to Champs-Élysées, every night with

orchestra. Around the fountain or on the

balcony. 22-34, rue Montmartre. Tel: 42 87 54 54.

## PARIS 10th

## DOUCET-EST

In famous chateaux &amp; seashore. Continuous

service from 11 a.m. to 12 a.m. Open every

day, 5, rue du 8 Mars 1945. Tel: 42 13 40 02.

## PARIS 15th

## LE WESTERN

The only restaurant with specially imported

beef from the U.S. Business lunch FF 195,

wine included. Open daily, 1-42/75 92 01.

Paris Hilton, 13, rue de Solferino.

## PARIS 16th

## MONKEY BUSINESS

The best view of the Eiffel Tower. Exceptional

of refined Louisiana cooking. Cajun special-

ties. Business lunches à la carte. 94-95

BRUNEL - RECEPTION ROOM. Open Daily

75116 Paris. Tel: 47 23 77 78/83 89.

## PARIS 17th

## GOLDENBERG WAGRAM

Snacks, hot dogs - Pastries - Cream cheese

bagel and hot homemade - Cheese cake &amp;

all the best. Ideal spot. 69 Av. de Wagram.

Tel: 42 27 34 79. Every day up to midnight.

## ROME

## DA MEO PATACCA

Traditional. Best famous for fish food, music &amp;

follies. 00153 Rome, Piazza De' Medici 30.

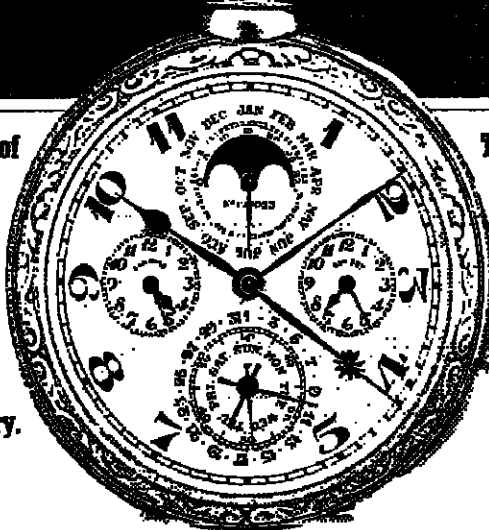
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MUSÉE DE L'HORLOGERIE  
ET DE L'ÉMAILLERIE  
GENÈVETHE LEGENDARY  
WATCHES OF  
PATEK PHILIPPE  
1839 - 1989

The fabulous watches of Patek Philippe's private collection are on public display for the first time on the occasion of Patek Philippe's 150th Anniversary.

The Patek Philippe exhibition is at the Musée de l'Horlogerie et de l'Émaillerie from April 10 to September 30, 1989.

The Musée de l'Horlogerie et de l'Émaillerie, at 15, route de Malagnan, is open every day from 10 am to noon and from 2 pm to 6 pm (except Monday morning).



A comprehensive, illustrated catalogue of the Patek Philippe Exhibition is available from the Musée de l'Horlogerie et de l'Émaillerie.



DAG

## ACROSS

1 Jazz style

5 Plays the horses

9 Fallen angel

14 This may be pointed

15 Egress

16 Solo

17 Cowardly Lion

18 Pro —

19 Timid one

20 "He who fears

across, statement by

Napoleon)

23 Things to stand on

24 Tipped rod

25 They're nearly

grads

26 Wickerwork

necessity

29 Tot

31 Lagoon

enclosure

32 Mitten royal,

e.g.

33 Porcine lingo

37 Speck

38 City in N.D.

39 Neb. Indian

40 Singing brothers

41 Ruler of Asgard

42 Move stealthily

43 Sabots or

secques

45 Acid neutralizer

46 Chinese pagoda

49 Poetical eye

50 Writer of "Polly

of Hollywood"

51 See 20 Across



	Vol.	High	Low	Close
Fruit	8972	7 1/2	5 1/2	5 1/2
ENSCO	6282	3 1/2	3	3 1/4
Chief of	4282	1 3/4	1 1/4	1 1/2
Wornc	4571	3 1/4	3	3 1/4
TexAir	4009	1 3/4	1 1/4	1 1/2
AMEX 3	3171	1 1/4	1 1/4	1 1/4
Wdair	2543	1 1/4	1 1/4	1 1/4
TehTel	2274	2 1/4	2 1/4	2 1/4
Tech	2240	1 1/4	1 1/4	1 1/4
DWC	1902	1 1/4	1 1/4	1 1/4
WaneB	1845	1 1/4	1 1/4	1 1/4

High	Low	Close	Chg.
333.36	331.17	333.14	+1.97

**Tables include the nationwide prices up to the closing on Wall Street and do not reflect late trades elsewhere.**

Headlining the data are March wholesale prices, measured by the Producer Price Index. The index rose a steep 1 percent in both January and February, which set off warning bells for inflation and higher interest rates.

Prime Computer followed, jumping 1% to 19% on news that the company's board has authorized First Boston Corp. and Smith Barney Harris Upham & Co. to solicit proposals and pursue talks and negotiations with a view toward selling the company for more than the \$20 a share offered by MAJ Basic Four Inc.

Elsewhere in the technology sector, which began an upturn last Friday when IBM bounced off its 52-week low, IBM climbed 1 1/2% to 111 1/2, Digital Equipment rose 1/2 to 98 1/2, Hewlett-Packard advanced 3/4 to 54 1/2, Texas Instruments tacked on 1 1/4 to 39 1/2, and Univac

In the media sector, Capital Cities/ABC rose 4% to 404%, Houghton-Mifflin climbed 2% to 47%, and CBS added 1% to 183%.

Blue chips ended up mixed. A1&I closed unchanged at 31%, USX fell  $\frac{1}{4}$  to 33, Coca-Cola eased  $\frac{1}{4}$  to 52%, Procter & Gamble fell  $\frac{1}{4}$  to 91%. Elsewhere, Sears rose  $\frac{1}{4}$  to 45% and Alcoa jumped  $1\frac{1}{2}$  to 61%.

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(Continued on next left-hand page)



WEDNESDAY, APRIL 12, 1989

Page 1B

**MEDIA MARKETS**

# St. Pauli Finds That Many Do Forget Their First Girl

By RANDALL ROTHENBERG

**NEW YORK** — "You never forget your first girl." Many beer drinkers remember that advertising slogan, which brushed against the boundaries of good taste with hints of sex and sensuality. St. Pauli Girl, the German beer that for years used the "first girl" line in its U.S. advertising, suffered when it abandoned its appeal to boisterous young men. In a new campaign that makes its debut this week, St. Pauli is returning to suggestive humor in hopes of recapturing those young drinkers.

The new slogan, courtesy of the Bloom Agency-New York, is "Meet the Right Girl." The television commercials are short bursts of humor, buttressed by print ads using coy wordplays about how a young man should treat the "right girl" when he brings her home.

"We thought it best to redirect our message to the younger consumer," said Leo Begleiter, president of Associated Importers, which acquired the St. Pauli Girl brand in September from McKesson Corp. Associated had little choice other than trying something new. After a steady climb in the first half of the 1980s, St. Pauli Girl's sales have fallen precipitously. Wholesale shipments peaked in 1985, at 4.4 million cases. Case shipments dropped a bit the next year, then plunged 21 percent in 1987 and 6 percent last year, said Anita S. Brown, managing editor of Market Watch, a beverage industry newsletter.

There are several reasons for the decline. The U.S. sales growth of imported beers slowed to only 0.4 percent last year, from a compound rate of 11.6 percent a year from 1980 to 1986. Tightening this slide, St. Pauli changed its advertising, dropping the "first girl" slogan in favor of "Germany sends you her very best." But it supported the campaign with only a \$200,000 budget in 1986, less than one-tenth its spending the year before, Ms. Brown said.

**TAKING COMMAND** of St. Pauli's advertising account last year, the Bloom Agency quickly decided to reposition the product as a beer for young men. Jeffrey Fine, the agency's New York chairman and chief operating officer, said research indicated that the heart of St. Pauli's market was men right out of college through their late 20s. Men in college favor lighter imports, like Corona and Moosehead. Older men prefer heavier beers, like Heineken and Beck's.

The agency nicknamed the target market the Charmed Winner. The target's psychological profile: confident, stable, full of fun, not married but with female friends. The idea was to "catch him between his last Mooshead and his first Beck's," said Penny Hawkey, the agency's president and executive creative director. The way to do it, she added, was to identify St. Pauli Girl as an informal German beer, recognizing that informal and German seemed a contradiction in terms.

The advertising developed by the agency is brash, a series of 15-second vignettes humorously introducing Charmed Winners to the "wrong girl."

In the spots, an announcer asks (and the screen reads), "Wanna meet the right girl?"

In one commercial, a young man sitting at a bar responds, "Yeah, a beautiful girl with quality written all over her." A heavy-set woman covered with tattoos wanders up and giggles. The "right girl" — the beer — is then introduced.

In tone and style, the commercials are reminiscent of the "Gimme a Light" ads for Bud Light, using visual puns, jumpy young men and half of the beer's name in the slogan.

While denying any intentional similarity, Mr. Fine did concede

See BEER, Page 13

# Fiat Sets Structural Changes

## Automaker Girds For Competition

Reuters

**TURIN** — Fiat announced on Tuesday a reorganization of its automaking operations apparently designed to make its products more competitive outside of Italy.

Fiat SpA, the parent, said it had created four new operating units within Fiat Auto SpA, which shares the leading spot in the European car market with Volkswagen AG.

It was the first major move in the auto division under Cesare Romiti, the group managing director who also took over as chief executive of the division last November.

A Fiat spokesman said the reorganization was aimed at streamlining Fiat Auto's corporate structure and "emphasizing product-oriented marketing."

Sergio Fighi, research director at the Milan brokers Studio Pastoro, said the reorganization may reflect Fiat's recent push into markets outside Europe. It agreed last month with Mazda Motor Corp. to distribute Lancia cars in Japan.

Industry analysts say that Fiat is more vulnerable than other European carmakers to suffer post-1992 competition because of its heavy dependence on the Italian market.

The changes announced Tuesday include the creation of an industrial division, responsible for planning and production. It will be headed by Luigi Francione, now production chief for Fiat Auto.

The new Fiat-Lancia division will be headed by Paolo Bernadelli, now sales director of Fiat Auto. Giovanni Battista Razzelli, managing director of the Fiat-owned sports car maker Ferrari, will head the Alfa Romeo division.

The new distribution and supplies sector will be headed by Paolo Cantarella.

The spokesman declined to comment on whether one of the division chiefs is being groomed to succeed Mr. Romiti, 65, at Fiat Auto.

Romiti's my impression that since Romiti is not really an auto man, after a certain transition period, he may eventually return to concentrating on his role as managing director for the whole group," Mr. Fighi said.



Edzard Reuter, Daimler's chairman

An MBB PAH-1 helicopter

The new Mercedes-Benz SL

# Beyond Cars, a Vision of Daimler

## German Auto Giant Pushes Ahead With Diversification

By Steven Greenhouse

New York Times Service

**STUTTGART** — Edzard Reuter, the steel-eyed chairman of Daimler-Benz AG, often sounds like a professor propounding his vision of the future.

In a decade or two, he predicts, satellites will beam down messages to cars, warning them to avoid certain roads because of traffic jams.

He fears that in 20 years, the automobile market could become saturated, when roads grow even more congested and many families own three or four cars.

By the year 2000, he says, electronic components, which represent 5 percent of the value of the Mercedes-Benz cars that his company makes, will rise to 25 percent.

Visions like these, he said, have led him to one conclusion: Daimler must diversify.

"We should provide for the possibility that car markets will stagnate in the future," said Mr. Reuter, 61, a trim, intense man. "We should provide for a development of that kind at an early stage because if this should happen and we are not prepared, it would be too late to change the course of a big ship like ours."

And so he has plunged Daimler, West Germa-

ny's biggest company, into the largest diversification campaign the country has seen.

His drive to take control of several aerospace and electronics companies, with yearly sales exceeding \$13 billion, could turn Daimler into one of Europe's most powerful military contractors and its biggest non-oil concern.

As he pushes his company into faster-growing fields, he is rapidly transforming the \$39 billion giant — the world's largest maker, in sales, of luxury cars and of trucks — into a high-technology conglomerate.

In the process, he has become a symbol of new-found aggressiveness among West German industrialists.

Analysts say that his thorough face-lifting of Daimler could mean that a company that only four years ago got 95 percent of its revenues from cars and trucks will obtain half of its sales from nonvehicular businesses by 1995.

For his part, Mr. Reuter hopes the new technologies will allow Daimler to stay ahead of its competitors.

In the past four years, Daimler has taken control of AEG AG, West Germany's third-largest elec-

See DAIMLER, Page 13

# Sale of Eastern Stalled Over Lorenzo's Role

Compiled by Our Staff From Dispatches

**NEW YORK** — The \$464 million sale of Eastern Airlines was being held up Tuesday by the issue of what role Frank A. Lorenzo would play in the transition of control of the airline from Texas Air Corp. to Peter V. Ueberroth.

Eastern's striking workers have agreed to wage and benefit concessions worth \$210 million a year as part of Mr. Ueberroth's effort to gain control of the carrier. But the unions made their concessions contingent upon the federal bankruptcy court's appointment of a trustee to take over operation of the airline as it tries to emerge from Chapter 11 bankruptcy proceedings.

A trustee would assure the unions that Mr. Lorenzo, the chairman of Texas Air, Eastern's parent, would have no role in devising a reorganization plan for the airline.

Separately, David Boies, a Texas Air lawyer, said a committee of Eastern creditors has reservations about Mr. Ueberroth's plan. He would not be specific.

Objections by Texas Air surfaced after the accord was reached Monday between Mr. Ueberroth and the unions.

Mr. Ueberroth said outside the bankruptcy court on Monday, "We have one more major bridge to cross." His agreement with Texas Air to take control of Eastern was scheduled to expire at midnight.

"We have not yet seen a copy of the agreement," a Texas Air spokesman said. "We understand it is very complex and we will study it."

Bruce Zirnitsky, a lawyer for Eastern who attended talks with the unions, said, "There is no agreement as far as we are concerned."

After four days of negotiations, Mr. Ueberroth announced that his group had reached "a historic labor partnership" with representatives of Eastern's machinists, pilots and flight attendants.

Sources said the five-year agreement gave three unions 30 percent of Eastern in exchange for \$210 million in pay cuts and other concessions. The pact must be ratified by union members and Eastern's major creditors, as well as Texas Air.

Eastern has been almost totally

grounded since the machinists struck March 4 and pilots and flight attendants walked out in support. The airline filed for bankruptcy protection five days later.

Under the agreement, the machinists would give up the most, about \$150 million in wage and benefit cuts, or "essentially what Lorenzo wanted us to take before the strike," a union source said.

Texas Air bought Eastern three years ago. (AP, NYT, Reuters).

# NWA Swaps Lawsuits With Davis

Compiled by Our Staff From Dispatches

**MINNEAPOLIS** — The investor Marvin Davis and his takeover target, NWA Inc., traded lawsuits Tuesday, following the rejection last week by the parent of Northwest Airlines of a \$2.62 billion bid.

Mr. Davis, who is offering \$90 a share, sued NWA in chancery court in Delaware, where the company is incorporated, challenging its anti-takeover plan. The plan would not inhibit an acquisition but would require a buyer to channel profits from asset disposals to shareholders and thus prevent such sales from being used to pay debt incurred in a takeover.

Mr. Davis has said he does not plan such sales. NWA, meanwhile, sued Mr. Davis and a partnership he controls in federal court in St. Paul, claiming he has interfered in negotiations with its pilots. It said Mr. Davis and the partnership have no authority to speak for the airline, yet they are "seeking to have the unions negotiate with them, to usurp Northwest's contractual and statutory role" and to buy NWA "on the cheap."

NWA stock rose \$1.125, to \$88.625, on the New York Stock Exchange. (AP, Reuters)

# Currency Rates

Cross Rates	U.S.	DM	FF	Yen	Swiss	Other
American	1.00	0.63	6.55	148.36	0.70	166.63
British	1.66	1.06	11.48	263.70	1.25	309.36
French	6.55	4.06	1.00	246.36	0.70	166.63
German	0.63	1.00	6.55	148.36	0.70	166.63
Italian	1.36	0.86	9.36	213.36	0.90	225.36
Japanese	148.36	93.36	573.36	1.00	0.70	166.63
Swiss	0.70	1.25	7.70	173.36	1.00	309.36
Other	166.63	106.36	1133.36	2637.00	309.36	1.00

Source: Reuters, Bank of Tokyo, IMF (SDR), BAI (other, fixed, other), Reuters (SDR). Other data from Reuters and AP.

# Interest Rates

Interest Rates	U.S.	DM	FF	Yen	Swiss	Other
1-month	8.00	6.00	5.00	5.00	5.00	5.00
3-month	8.00	6.00	5.00	5.00	5.00	5.00
6-month	8.00	6.00	5.00	5.00	5.00	5.00
1-year	8.00	6.00	5.00	5.00	5.00	5.00

Source: Reuters, Bank of Tokyo, IMF (SDR), BAI (other, fixed, other), Reuters (SDR). Other data from Reuters and AP.

Key Money Rates	U.S.	DM	FF	Yen	Swiss	Other
1-month	8.00	6.00	5.00	5.00	5.00	5.00
3-month	8.00	6.00	5.00	5.00	5.00	5.00
6-month	8.00	6.00	5.00	5.00	5.00	5.00
1-year	8.00	6.00	5.00	5.00	5.00	5.00

Source: Reuters, Bank of Tokyo, IMF (SDR), BAI (other, fixed, other), Reuters (SDR). Other data from Reuters and AP.

# France Asks Price Curbs On Gasoline

Reuters

**PARIS** — Finance Minister Pierre Bérégovoy on Tuesday called on national oil companies to curb recent gasoline price increases and "come to their senses."

The French government's statement followed increases that oil companies have attributed to higher crude oil costs.

"The government expects the oil companies, and above all public firms or those backed with public funds, to show the best example over prices and competition," Mr. Bérégovoy said.

Last week the French oil industry association said average retail prices of premium gasoline had risen to 5.15 francs (about 81 cents) a liter from 4.89 francs on Jan. 1.

Société Nationale EN Aquitaine, which is 56 percent government-owned, raised prices at the end of March, saying the increase was in line with crude oil prices.

In Dublin, Industry Minister Ray Burke on Tuesday accused multinational oil companies of using "strong-arm tactics" in halting gasoline supplies to Ireland in response to an official price freeze.

Esso Ireland and Irish Shell, units of major multinational oil companies, halted imports on Monday, saying the government was forcing them to sell at a loss.

"What really shocks me is that companies of this magnitude would attempt to use strong-arm tactics on a small nation and on the people of Ireland," Mr. Burke said.

A spokesman for a third major oil company, Texaco Ireland, a unit of Texaco Inc., said the company was reviewing the situation.

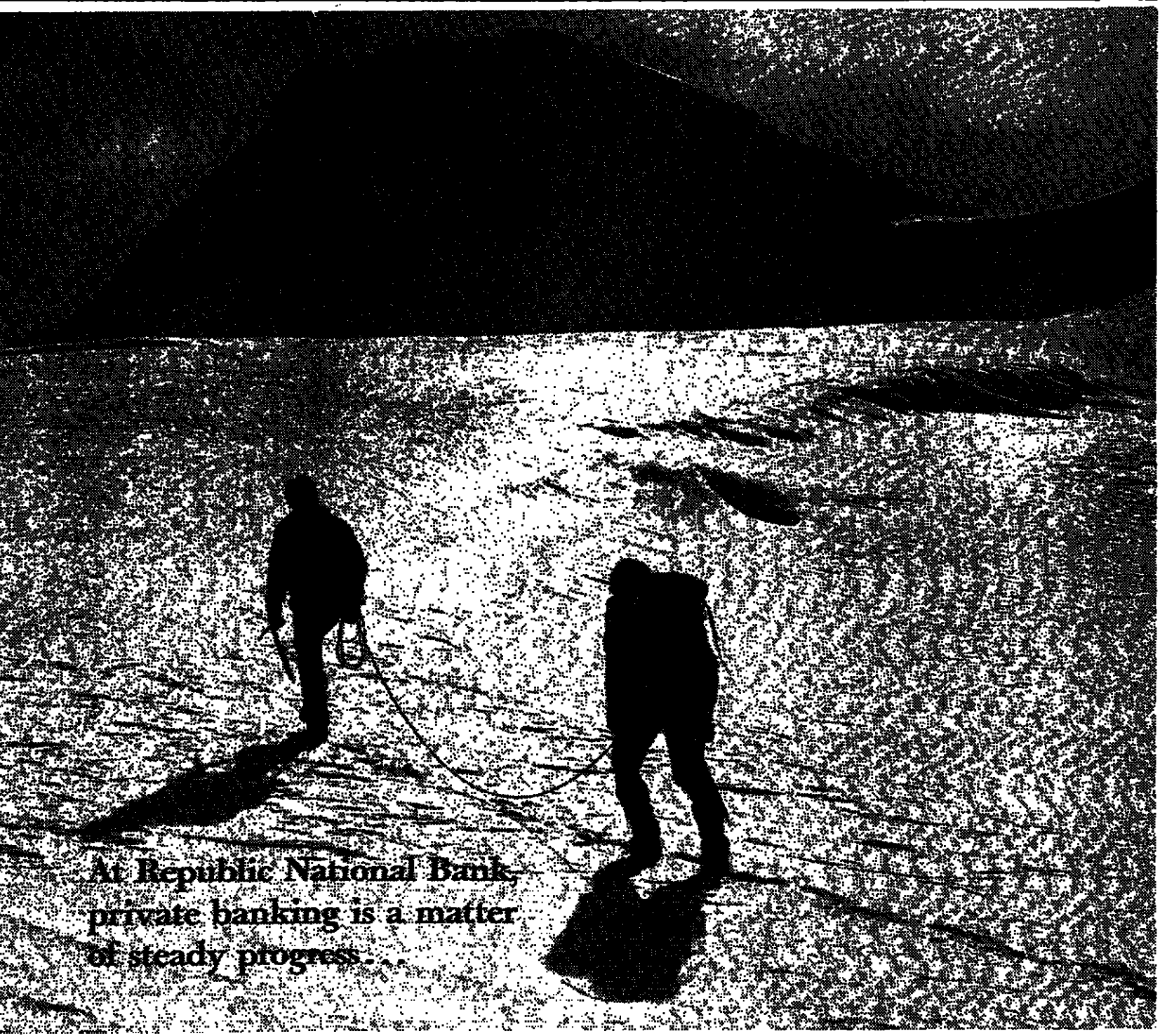
Representatives of Esso, Shell and Texaco are scheduled to meet on Thursday with Mr. Burke. The three companies supply about 60 percent of Ireland's gasoline.

To forestall panic buying by motorists, Mr. Burke said there was "plenty of stock within this country at the moment."

The government imposed the freeze on March 31 to prevent oil companies from raising prices the equivalent of 11.5 cents per imperial gallon (4.5 liters) in line with increases in Britain. Gasoline in Ireland costs the equivalent of \$3.90 a gallon, one of the highest pump prices in Europe.

In London on Tuesday, North Sea Brent blend, the most widely traded international crude, was 40 cents higher at \$20 a barrel for immediate delivery.

West Texas Intermediate, the benchmark U.S. crude, for May delivery, closed only 4 cents higher at \$20.63 a barrel on the New York Mercantile Exchange. Unleaded gasoline for May was up 1.8 cents at 69 cents a gallon (3.8 liters).



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**Asahi Glass Re-**  
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**TOKYO** — Asahi  
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It said sales had risen 1.5 per cent, to 936.98 billion yen, while pretax income had risen 1.5 per cent, to 85.94 billion yen. The company attributed the gains to cost-cutting efforts.

Month	1972	1973	1974	1975	1976	1977
May	825	830	834	832	831	823
Jul	825	826	834	831	831	823

Volume: 3,068 lots of 10 tons.

**GASOIL**  
U.S. dollars per metric ton

Month	1972	1973	1974	1975	1976	1977
May	154.90	154.75	154.28	152.00	150.25	N.T.
Jun	149.75	149.50	151.75	149.80	147.50	N.T.
Jul	149.25	149.50	151.75	149.75	147.50	N.T.
Aug	149.50	150.00	151.75	149.75	146.50	N.T.
Sept	N.T.	N.T.	N.T.	N.T.	—	—
Oct	154.75	154.50	154.50	153.00	150.25	N.T.
Nov	155.25	156.75	155.00	149.75	151.75	N.T.
Dec	156.00	156.50	156.75	154.50	152.25	N.T.
Jan	153.50	153.50	N.T.	N.T.	New	—

Volume: 5,682 lots of 100 tons.

Sources: Reuters and London Petroleum

Oct	262.20	262.80	263.00	259.80	262.00
Nov	255.00	261.00	257.00	257.80	255.00
Mar	253.00	253.00	254.00	253.00	254.00
Mary	253.00	254.00	N.T.	N.T.	251.80
Aug	251.00	254.00	N.T.	N.T.	249.00

Volume: 1.145 lots of 50 tons.

**COCOA**  
Starting per metric ton

Mary	783	784	785	779	775
Jul	793	794	797	792	790
Aug	802	808	870	805	803

Jan	N.Y.	N.Y.	1,855	1,880
Mar	N.Y.	N.Y.	1,850	1,875
Mar	N.Y.	N.Y.	1,840	1,870

Est. vol: 8 lots of 5 tons. Prev. actual sale  
lot: Open position: 462

Source: *Bourse de Commerce.*

## London Commodities

*April*

Dec	N.T.	N.T.	1,910	1,925
Mar	1,892	1,890	1,900	1,915
May	1,896	1,890	1,890	1,905

Est. vol: 7,983 lots of 50 tons. Prev. actual sales: 974 lots. Open interest: 16,081.

**Cocoa**  
French francs per 100 kg

Nov	N.T.	N.T.	970	—
Nov	N.T.	N.T.	980	—
Sep	N.T.	N.T.	990	—
Dec	N.T.	N.T.	925	—
Nov	N.T.	N.T.	925	—
May	N.T.	N.T.	925	—
May	N.T.	N.T.	925	—

Est. vol: 0 lots of 10 tons. Prev. actual sales: 0 lots. Open position: 4.

**Paris Commodities**

DMark	51	r	r	2.50
53.03	53	0.24	0.62	
53.03	54	0.03	0.24	0.52
53.03	55	r	0.05	0.28
53.03	56	r	0.02	
2000.00 French Francs=1000 of a cent	151	0.5		
2200.00 Japanese Yen=1000 of a cent	73	r	r	3.22
YJm	73	r	r	
75.37	74	r	r	
75.37	75	r	r	
75.37	76	0.13	0.63	1.14
75.37	77	0.93	0.30	
75.37	78	r	0.72	0.49
75.37	80	r		0.13
75.37	81	r	0.02	
62.50 Swiss Francs=100 of a cent	57	r	r	
SProm	57	r	r	

50,000 Australian Dollars—cents per unit.		50¢		10¢		10¢	
ADollar	70	77	4.83	r	r	10.43	r
80.74	78	78	2.99	r	r	10.43	r
80.74	79	79	r	r	r	2.23	r
80.74	80	80	r	r	r	r	r
80.74	81	81	0.27	r	r	1.10	r
80.74	82	82	0.07	0.56	r	r	r
25,000 British Pounds—cents per unit.		10¢		10¢		10¢	
BPound	165	165	r <th>r <th>r <th>1.94</th> <th>r</th> </th></th>	r <th>r <th>1.94</th> <th>r</th> </th>	r <th>1.94</th> <th>r</th>	1.94	r
169.01	165 <td>r</td> <td>r</td> <td>r</td> <td>r</td> <td>r</td> <td>r</td>	r	r	r	r	r	r
169.01	167.74	r	r	r	r	r	r
169.01	170	r	0.35	r	r	r	r
169.01	172.74	r	r	0.72	r	r	r
50,000 Canadian Dollars—cents per unit.		50¢		10¢		10¢	
CDollar	82.74	82.74	r	r	r	r	r
84.07	83	83	r	r	r	r	r

64.75	33.65	Andy	34.25	34.20
64.50	33.92	Jul	34.25	34.60
59.20	31.27	Aug	33.60	33.60
61.50	42.05	Feb	47.90	47.80
60.00	42.08	Mar	47.35	47.00
60.90	47.50	May	47.35	47.35
60.90	48.65	Jul	47.80	47.80
Est. Sales \$,121 Prev. Sales 3,086				
Prev. Day Open Int. 20,774 up 148				

84.15	76.00	Aug	77.17	77.00
83.10	74.50	Aug	77.00	77.00
83.10	74.50	Sept	76.68	77.00
83.00	74.50	Oct	76.90	76.90
83.50	77.50	Nov	77.75	77.75
83.75	78.00	Jan	78.10	78.40
Est. Sales 2,443 Prev. Sales 2,715				
Prev. Day Open Int. 14,311 up 25				

HOOG (CME)				
30,000 lbs.-cents per lb.				
51.45	39.25	Apr	39.90	39.90
51.45	42.50	Jun	43.65	45.85
54.00	45.20	Jul	46.32	46.90
51.00	43.25	Aug	45.15	45.72
47.00	40.80	Oct	41.70	41.70
47.25	38.75	Dec	43.50	43.50
47.20	43.70	Feb	44.40	44.45

<b>Enl. Sales</b> <b>Prev. Sales 13,525</b> <b>Prev. Day Open Int. 17,559</b> off 142	
<h2 style="margin: 0;">Livestock</h2>	
<b>CATTLE (CASH)</b> 40,000 lbs.-Cents per lb.	
78.90	47.20 Apr 77.75 78.05
75.90	68.60 Jun 72.70 72.30
72.80	45.80 Aug 68.53 68.60
73.15	68.78 Sep 68.25 68.35
74.11	68.45 Oct 69.22 69.25
72.55	62.00 Dec 70.25 70.25
73.60	70.00 Feb 70.40 70.60
74.00	71.40 Apr 71.65 71.50
<b>Feb Sales 27,346</b> <b>Prev. Sales 15,799</b>	

300,000	21.50	May	221.50	222.50
300,000	21.50	Jun	221.50	222.50
300,000	21.50	Jul	221.50	222.50
298,000	21.60	Aug	219.50	220.50
286,000	21.60	Sep	218.50	219.50
280,000	20.00	Oct	215.00	216.00
260,000	19.50	Nov	215.50	216.00
240,000	20.00	Jan	215.00	215.50
237,200	20.00	Feb	215.00	215.50
236,000	20.00	Mar	214.50	215.00
235,000	20.00	Apr	214.50	215.00

Est. Sales Prev. Sales  
Prev. Day Open Int. 58,715 off 2472

**SOYBEAN OIL (CBT)**  
60,000 lbs.-dollars per 100 lbs.

32.50	22.08	Jul	22.25	22.34
32.50	22.08	Aug	22.25	22.34
32.50	22.08	Sep	22.25	22.34

3.60	2.87½	May	2.66½	2.66½
3.60	2.21	Jul	2.61	2.67½
3.17½	2.45	Sep	2.40½	2.61
2.95	2.25	Dec	2.58	2.60
2.85½	2.57½	Mar	2.45	2.67
2.85½	2.88	May	2.67	2.69
2.85½	2.61½	Jul	2.70	2.71
Est. Sales		Prev. Sales	26,041	
Prev. Day Open	Int 193.75	off	3.111	

SOYBEANS (CBT)		
5,000 bu minimum—dollars per bushel		
9.00	6.45	Jul
9.06	7.15	Jul
9.51	7.12½	Aug
8.35	6.95½	Sep
7.93	6.63	Nov
7.67	6.84	Jan
7.74		

Season High	Season Low	Open	High
<b>Grains</b>			
<b>WHEAT (CBT)</b>			
5,000 bu mini-mum—dollars per bushel			
4.45	3.38	Nov 3.96	4.02
4.22	3.27	May 3.87	3.89 1/4
4.29	3.50 1/2	Sep 3.93	3.97 1/2
4.40 1/2	3.78	Dec 4.05	4.10
	4.00 1/2		







## Intel Stock Firms After Chip Launch

Compiled by Our Staff From Dispatches  
NEW YORK — Stock of Intel Corp., the big U.S. chip maker, rose strongly Tuesday after favorable comments on the company's prospects from market analysts following the launch of an ultra-fast microprocessor.

Intel closed \$1.125 higher at \$27.75 in over-the-counter trading after comments from Thomas Kurik, analyst at Merrill Lynch & Co. Merrill said the comments centered around a "very enthusiastic" review of Intel's new i486 microprocessor, which was introduced on Monday.

Merrill said that Mr. Kurik raised his 1990 earnings estimate for the company and reiterated a strong buy recommendation. But Mr. Kurik was not available for comment and details of the higher estimates were not immediately known.

Traders said Intel's price also benefited from comments from Drew Peck, analyst at Donaldson, Lufkin & Jenrette, an assistant to Mr. Peck confirmed this but could not elaborate on the comments.

The i486 chip, introduced at the Comdex computer exhibition in Chicago, is the fastest computer chip yet to run software that is compatible with personal computers made by International Business Machines Corp.

Greater speed was the prevailing theme at the industry trade show. Computer makers showed personal computers based on the fastest Intel chip currently in use, the 80386.

The machines, which now exceed speeds of eight million instructions a second — more than 16 times the speed of standard IBM PCs — are the latest step toward blurring the distinction between computers used for general office tasks and

the more advanced workstations used by scientists and engineers. Industry executives said the effect of the Intel i486 would be far greater than that of the 80386. The Intel and other competing 32-bit chips will create a class of desktop computers that will be increasingly indistinguishable from more expensive mainframe and minicomputers, they said.

"The current definitions of a microcomputer and microprocessor are obsolete," said Vittorio Casoli, managing director of Ing. C. Olivetti & Co. SpA, the Italian computer maker. "Customers will care less and less about our industry's traditional definitions."

Intel gained broad industry en-

## Chip Firm Sees Bonus In Takeover

Compiled by Our Staff From Dispatches  
TUSTIN, California — The chairman of Silicon Systems Inc., which has agreed to be acquired by TDK Corp. for about \$200 million, said the deal would allow his company to concentrate on international expansion.

But Carmen J. Santoro, who also is president and chief executive of Silicon, said the takeover was not a case of a Japanese company acquiring vital U.S. technology.

"We are not a technology company, we are an applications company," Mr. Santoro said.

Mr. Santoro said Silicon had been searching for a semiconductor company that would complement its tape business.

The takeover would "make it easier for us to fund the capital requirements necessary for our future growth and to enable us to continue as a leading manufacturer of mixed-signal integrated circuits," he said.

Silicon specializes in chips that process digital and analog signals simultaneously.

About 75 percent of its business is supplying chips for hard disk drives for personal computers; 20 percent is for telecommunications products, including modems and tone-signal generators in answering machines.

TDK, which will pay \$20 for each Silicon Systems share, said it planned to invest an additional \$200 million in the company's operations and its research and development division.

(NYT, LAT)

## NBC Concerned Over Cable Cabal

System and Programmer Links May Threaten Channel

By Bill Carter  
NEW YORK Times Service  
NEW YORK — NBC, the most successful U.S. broadcast network, will take the first step toward its stated goal of becoming a major player in the cable industry Monday with the premiere of CNBC, a 24-hour, consumer-oriented business channel.

But even as it markets a channel to cable operators, NBC is learning that the rules of the cable game are entirely different from those in broadcast.

NBC's concern is that some of the cable system operators with interests in competing channels will lock out CNBC.

On the surface, CNBC will begin in unusually good shape for a cable channel. The initial subscriber base of 13 million, topped only by the debut last year of Ted Turner's TNT channel, which mainly shows old films and began linked to 17 million homes.

NBC likes to say CNBC is the biggest premiere of a channel not owned by major cable operators, pointing out that TNT had built in access to millions of subscribers based on Mr. Turner's alliances with dominant cable operators, including Telecommunications Inc., Time Inc., Warner Communications Inc. and Cablevision Inc., all of which have equity interests in Turner Broadcasting System Inc.

CNBC should also benefit from the considerable resources of the broadcast network. It will

have access to all the information collected by NBC News.

"On the surface, their schedule looks solid," said Larry Gerbrandt, senior analyst at Paul Kagan Associates, a Carmel, California, firm that follows the cable industry. "They're putting a huge amount of resources behind it."

CNBC's start-up cost is an estimated \$65 million. Commitments from cable operators will expand the subscriber base to at least 23 million over three years, closer to the 30 million to 32 million that CNBC projects it will need to turn a profit. CNBC will initially receive 7 cents a month per subscriber from the cable systems and will also sell advertising.

The key to success, NBC and industry analysts agree, is a channel that so many viewers want to watch that systems can not lock it out.

But even with such a strong start, CNBC is not guaranteed success. The main concern, as expressed by NBC executives last week, is the crossroads of alliances between the system and channel operators that now make up the cable industry.

In CNBC's case, one major reaction has emerged from Ted Turner, who quickly declared himself an enemy of NBC's new channel. Mr. Turner dismissed CNBC's business programming as a ruse intended to hide NBC's real purpose: establishing a beachhead in cable from which to launch a new cable network.

Mr. Turner said NBC wants an all-news cable outlet to help defray the costs of its expanding broadcast news division. One reason for his conviction: NBC tried to buy CNN from him three years ago.

## EC Rethinks Reciprocity For Banks

Community Will Consider Thursday Toning Down a Proposal for a Reciprocity Test for Foreign Banks

BRUSSELS — The European Community will consider Thursday toning down a proposal for a reciprocity test for foreign banks wishing to set up in the community, EC officials said.

The proposal, part of EC plans for a banking license to be valid throughout its single market after 1992, has become a focal point of U.S. charges that the community is building a "Fortress Europe."

The EC officials said Sir Leon Brittan, the anti-trust commissioner, would ask fellow members of the European Commission, the EC executive body, to soften the reciprocity provision. The community has said the rule is necessary to ensure that its banks have access to foreign markets.

Sir Leon will present an amended proposal to the 12 EC finance ministers, who have the final say on banking legislation, when they meet in Luxembourg on Monday.

Sir Leon and Frans Andriessen, the external relations commissioner, insist that a reciprocity provision is needed because international rules for financial services are only now being discussed under the General Agreement on Trade and Trade.

Officials said Sir Leon's proposal defines reciprocity in terms of "national treatment," demanding that non-EC countries treat EC banks exactly as they treat their own banks. Critics have said the original proposal was open to the interpretation that non-EC countries would have to give EC banks the same rights enjoyed in the community.

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# EC Rethinks Reciprocity For Banks

BRUSSELS — The Community will consider reciprocity for banks in the EC, according to a report by the EC Commission.

The report, which is part of a study on the impact of the Single Act, says that the EC has been successful in securing reciprocity for its banks in the U.S. and Japan.

The EC Commission is now considering whether to extend this reciprocity to other countries.

The report also says that the EC has been successful in securing reciprocity for its banks in the U.S. and Japan.

The EC Commission is now considering whether to extend this reciprocity to other countries.

## Tuesday's AMEX Closing

Tables include the nationwide prices up to the closing on Wall Street and do not reflect intra-trading fluctuations.

Via The Associated Press

Symbol	Price	Change
AMEX	100.00	+0.25
NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

Symbol	Price	Change
AMEX	100.00	+0.25
NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

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NYSE	100.00	+0.25
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NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

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NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

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AMEX	100.00	+0.25
NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

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AMEX	100.00	+0.25
NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

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AMEX	100.00	+0.25
NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

Symbol	Price	Change
AMEX	100.00	+0.25
NYSE	100.00	+0.25
NASDAQ	100.00	+0.25

# Chicago Exchanges Race to Computerize Futures

By Eric N. Berg  
New York Times Service

CHICAGO — With the global market for futures trading as the prize, the nation's two biggest commodity exchanges are battling to develop the pre-eminent system for round-the-clock electronic trading.

Such a system, by allowing traders to buy and sell futures contracts at computer terminals, could eventually replace the physical trading floors.

The system that emerges as the best will grab market share, said Daniel Siegel, a finance professor at Northwestern University. "If one system is perceived as better than the other, you will see trading in lots of different contracts veering toward that system."

On one side is the Chicago Board of Trade, the world's largest futures market, and on the other is the Chicago Mercantile Exchange, the No. 2 market.

Both exchanges are rushing to sign up other exchanges on new computer systems they are developing.

In recent months, for instance, the futures exchange in Paris, known as Mafid, and the New York Mercantile Exchange have said they will join the Chicago Merc's computer system, Globex.

The Chicago Board of Trade only recently displayed its system, called Aurora, but said that exchanges worldwide had expressed interest in it.

The new systems, which are being marketed initially only to members of participating exchanges,

## CFTC Charges Futures Traders

Compiled by Our Staff From Dispatches

WASHINGTON — The government futures regulator has charged 22 people at the Chicago Board of Trade with executing illegal trades in one of the futures pits that was penetrated by the Federal Bureau of Investigation during an undercover investigation.

The traders are alleged to have profited through a scheme to pre-arrange trades for U.S. Treasury bond futures contracts. Officials with the Commodity Futures Trading Commission said Monday there was no formal connection between the FBI investigation and its six-count administrative complaint. But, they said, the effect of the alleged cheating might have been similar to that of the FBI studied.

The agency said the traders executed transactions with a floor broker on the Chicago Board of Trade in July 1986, that were in the character of "fictitious sales" and that "caused prices to be reported that were not true." Dennis Klejwa, director of CFTC's enforcement division, called the complaint one of the largest ever. (Reuters, AP)

will allow traders around the world to trade Chicago contracts when those markets are closed.

The Board of Trade's system makes trading almost like a video game by using the graphics ability of an Apple Macintosh computer to simulate a futures pit.

The Merc's system harnesses a computer's number-crunching ability for efficient matching of buy and sell orders, but it is visually less exciting.

Neither say how much they have invested in the new systems, nor have they discussed pricing details. Initially the systems are to supplement, not replace, the present system of floor traders, although eventually Globex could curb floor traders' power.

The Mercantile Exchange is building Globex jointly with Reuters Holdings PLC of Britain.

Aurora's graphic images simulate the current method of futures trading, known as open outcry. Under the open outcry system, scores of traders stand shoulder to shoulder in an octagonal trading pit, shouting buy and sell orders to one another in a familiar network.

But Mercantile Exchange officials say that with Globex, there is a better way to achieve active markets and efficient prices than by simulating the raucous, often chaotic hollering that goes on each day in Chicago's trading floors.

"Open outcry is not the only, best, or even the last answer to the world's needs," said Leo Melamed, chairman of the Mercantile Exchange.

The best way to think of Globex is as a computerized order-matching system. Globex traders will enter their orders into a central computer. The computer, in turn, will match buyer and seller automatically. If two buyers are willing to pay the same price for a contract, the buyer who bid first will prevail.

The important difference lies in how buyers and sellers are brought together — by traders in the case of Aurora, and by a computer in the case of Globex.

As some industry experts see it, this difference could lead some market participants to prefer the Aurora approach.

Still others question whether Globex can handle the heavy volume of trading on Chicago's exchanges.

The Treasury bond futures contract at the Board of Trade, for instance, has been known to record volume of 400,000 contracts a day, or roughly 40,000 transactions.

"No trade-matching system will equal open outcry at that level of business," said Michael Jenkins, chief executive of the London International Financial Futures Exchange, which is developing a system like Aurora.

On the other hand, Globex has its own advantages.

For one thing, the main screen on Globex terminals will show buying and selling prices for multiple contracts, each having a different expiration date.

The main Aurora screen, by comparison, gives full details on only one contract.

## Few Non-Japanese Join New Futures Exchange

Membership Interest Is Disappointing

Reston

TOKYO — A plan by the Tokyo Financial Futures Exchange to spur development by enlisting experienced foreign futures brokers is off to a shaky start.

Interest in membership among foreign brokers is less substantial than the exchange had hoped for, and some major firms that do want to join could have trouble meeting the capital requirements, officials at foreign regulators said.

Indeed, several major U.S.-based futures brokers who are affiliated with banks were unable even to meet last Friday's application deadline and had to request extensions.

This reluctance from abroad comes in the face of a determined effort by the exchange to enlist foreign participation.

The exchange, which starts up in June, will initially trade contracts on three-month Euroyen and Euro-dollar deposits and yen/dollar rate futures.

When the deadline for clearing and regular memberships closed on Friday, only 10 foreign firms had applied to become clearing members, which is less than half the number the exchange had hoped.

An exchange official said the lack of foreign participation would hurt the market's liquidity and keep it from quickly developing into a world-class futures exchange.

The exchange was so eager to sign up foreign members that it slashed capital requirements for experienced foreign futures brokers, foreign brokers noted.

Net capital requirements for domestic firms wishing to become clearing members will be a minimum \$50 million yen (\$377 million), compared with five billion for experienced foreign futures brokers.

Still, foreign banks say several problems with the new exchange have emerged to scare off potential foreign members.

First, the exchange lacks a mutual offset agreement that gives futures traders the freedom to open and close positions between it and another exchange. Such an agreement is especially important for foreigners, who see a good share of their business coming from accounts in the United States and Europe.

In addition, some foreigners are concerned about the success of the

## Market Authority Sought

Reston

WELLINGTON — A government inquiry into the troubled New Zealand stock market, citing the recent spate of corporate failures, recommended Tuesday that a supervisory authority be set up to oversee regulatory bodies for all public securities markets.

The committee considers the very high level of public listed company failures and the deterioration in the financial position of several of New Zealand's largest companies have caused a substantial erosion in public confidence," said the ministerial committee that undertook the inquiry.

In a statement on its report, Justice Minister Geoffrey Palmer said, "It has put a very strong case for self-regulation with statutory enforcement." Mr. Palmer commissioned the report in October.

The committee, chaired by a former Reserve Bank governor, Spencer Russell, said the supervisory authority should absorb the present Securities Commission.

New Zealand's stock market was one of the worst hit by the October 1987 collapse, and slowest to recover.

The inquiry also came out against a proposed merger of the New Zealand and Australian stock exchanges.

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**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

The Annual General Meeting of Shareholders of Brazilian Investment Company Sicaav, will be held at its registered office in Luxembourg, 14, rue Aldringen, on 20th April 1989 at 12.00 noon for the purpose of considering and voting upon the following matters:

1. To hear and accept:  
a) the management report of the directors  
b) the report of the auditor.
2. To approve the statement of assets and liabilities and statement of operations for the year ended December 31st, 1988.
3. To discharge the Directors and the auditor with respect to their performance of duties during the year ended December 31st, 1988.
4. To elect the directors to serve until the next annual general meeting of shareholders.
5. To elect the auditor to serve until the next annual general meeting of shareholders.
6. Any other business.

The shareholders are advised that no quorum for the statutory general meeting is required and the decisions will be taken at the majority of the shares present or represented at the meeting.

THE BOARD OF DIRECTORS

**F & C NORDIC FUND SICAV**

Société d'investissement à capital variable  
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Commercial Register: Luxembourg, Section B n° 25.894

**NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS**

The Annual General Meeting of Shareholders of F & C NORDIC FUND SICAV will be held at its registered office in Luxembourg, 14, rue Aldringen, on April 20th, 1989 at 11:30 hours for the purpose of considering and voting upon the following matters:

1. To hear and accept:  
a) the management report of the directors  
b) the report of the auditor
2. To approve the statement of assets and liabilities and statement of operations for the year ended October 31st, 1988.
3. To discharge the directors and the auditor with respect to their performance of duties during the year ended October 31st, 1988.
4. To elect the directors to serve until the next annual general meeting of shareholders.
5. To elect the auditor to serve until the next annual general meeting of shareholders.
6. Miscellaneous.

The shareholders are advised that no quorum for the statutory meeting is required and that decisions will be taken by the majority of the shares present or represented at the meeting.

In order to take part at the statutory meeting of April 20th, 1989, the owners of bearer shares will have to deposit their shares five clear days before the meeting at the registered office of the Fund, 14, rue Aldringen, Luxembourg, or with the following bank:

— Banque Générale du Luxembourg S.A., 14, rue Aldringen, Luxembourg.

The Board of Directors.

**BUSINESS ROUNDUP**

## Next Posts Hefty Loss for the Year

### But Worst May Be Over for Fast-Moving British Retailer

**Reuters**  
LONDON — Next PLC, the fashionable British retailer that shot to prominence in the mid-1980s but was said to have grown too fast, announced Tuesday an expected 32.5 percent drop in pre-tax profit to £62.3 million (\$105.7 million) in the year ended Jan. 31.

The result, compared with £92.4 million the year before, was slightly below the £65 million to £70 million range of analysts' forecasts.

The profit came on sales that rose 32.2 percent, to £1.14 billion, from £862.1 million.

In spite of the earnings fall, Next declared a final dividend of 4.7 pence, raising the total payout for the year to 14 pence from 7.2 pence.

Next shares, which had fallen to 144 on the London Stock Exchange after the announcement of results.

The company said the installation of a new management team; concentration on core businesses; and an expected recovery in its home-shopping business should boost the group's performance over the next two years.

Last December, Next said difficult trading conditions in the second half of the year, combined with a number of special factors, would result in falling profit.

Shortly after that announcement, Next's chairman and chief

executive, George Davies, left the helm of the company he created. Mr. Davies had taken the J. Hepworth menswear chain and moulded it into Next, a high-quality group popular with young professionals. The expanding group also moved into sales of clothing for both sexes, jewellery, home furnishings and accessories. But some analysts had begun to ask whether the group had expanded too fast.

The latest results included £7.8 million of exceptional costs, related to accelerated depreciation of Next's retail branches and write-off development costs for the home-shopping services, Next Directory and Next Line. Offsetting that was a profit on the October sale of the stores division of the Freddy new-agent unit to W.H. Smith Group PLC for £7.8 million in cash.

In 1987, Next acquired Combined English Stores for £325 million and later sold a number of its noncore businesses, including Salisbury and Zales Jewellers. Overall, this netted Next a £137.7 million extraordinary credit.

But the largest of these sales, of Salisbury and Zales, were made immediately before the peak Christmas trading period. Next said the timing of the sales had cut 1988-89 profit by about £7 million.

Next detailed some highlights of its two-year plan, saying the year

ahead should show a significant recovery in its home-shopping businesses.

Next launched Next Directory in January 1988, following the merger of Next and Grattan in 1986. But operating profit for the home-shopping activities fell to £18.7 million in 1988-89 from £30.6 million the previous year, with profitability hit by Britain's postal strike last September. The company estimated that the dispute cost the group about £15 million in profit.

Over the next year, Grattan would benefit from improved computer resources, Next said. During the current year, the business would start to transfer to a new, fully automated warehouse. The £46 million project is expected to be completely operational for the spring and summer 1990 season.

Retail share analysts said the latest results suggested that Next's share price, which touched a 133-pence low this year, had approached its nadir.

Michael Heery, analyst at the securities house Shearson Lehman Hutton, said that with the new management in place, a two-year plan in prospect and the exceptional costs in line with expectations, Next had a good outlook for a reasonable recovery.

## Dutch Papers Shelve Plan For a Merger

**Reuters**  
AMSTERDAM — Contravention plans to merge the newspaper publishing group Nederlandse Dagblad Unie BV with its competitor, Perscombinatie NV, into the Netherlands' largest newspaper company have been shelved, Perscombinatie said Tuesday.

"There are no possibilities at the present time to continue negotiations with NDU and Elsevier NV on the merger plans," a statement said.

NDU, a subsidiary of Elsevier, and Perscombinatie announced in November that they planned to merge.

Resistance to the merger quickly built up, especially among Perscombinatie's three main shareholders, over proposed ownership of the concern.

Under the plans, NDU would have ended up with 75 percent of the equity.

Rotterdam-based NDU publishes the daily *Algemeen Dagblad* and the leading evening newspaper *NRC Handelsblad*. Amsterdam-based Perscombinatie publishes three main papers, *Het Parool*, *Trouw* and *De Volkskrant*.

## Liquidator Is Appointed To Australian Banking Firm

**Reuters**  
BRISBANE, Australia — Queensland's Supreme Court appointed Tuesday a provisional liquidator for the merchant bank Spedley Holdings Ltd. and its affiliate, Spedley Securities Ltd., according to a shareholder, GPI Leisure Corp.

Meanwhile, stock of the engineering group Australian National Industries Ltd. plunged 20 cents to 1.16 Australian dollars (94 cents), a low for the year. The selling, prompted by doubts about the security of ANI's 194 million dollar exposure to Spedley, wiped 106.6 million dollars off ANI's market capitalization.

GPI, a hotel and investment concern, said in a statement issued after the market closed that it had asked the Spedley companies to apply for the appointment of a liquidator.

Trading in shares of GPI, which also has a large Spedley exposure, was suspended Tuesday at the company's request. At the same time, GPI announced the resignation of its managing director, Brian Yuill, who controls Spedley through a complex web of shareholdings.

Market analysts said ANI is exposed through Spedley Holdings, in which ANI previously had a 45 percent stake.

When announcing a 30 percent interim profit rise to 45.69 million

dollars in March, ANI said it had sold the stake to an unnamed buyer, but it disclosed that it held secured advances and Spedley bills of exchange endorsed by third parties, totaling 194 million dollars.

ANI later said the advances of 27.8 million dollars were to Spedley Holdings and Spedley Securities, secured against shares having a market value well above that level.

The application to the court was supported by both GPI Leisure and an ANI subsidiary, The ANI Corp. GPI said GPI said its board believed that through the appointment of the liquidator, assets of both Spedley Holdings and Securities would be able to be properly realized to their full value.

But the statement did not indicate what that value might be.

Analysts said the plunge in ANI's stock price reflects uncertainty about ANI's net exposure to Mr. Yuill's complex web of companies should get into serious trouble. The uncertainty has not been helped by ANI's reticence about its worst-case exposure, they added.

But some said the selling of ANI may have been overdone.

"I suspect they have been a bit overdone," said David Turner of stockbroker, Citicorp Securities, Victoria Australia Ltd. "I think the net exposure is not all that great, maybe 20 million dollars."

## Sir James Goldsmith Unloads U.S. Supermarket Chain for \$1.2 Billion



Sir James Goldsmith

By Warren Getler  
International Herald Tribune

LONDON — Sir James Goldsmith, the British-French financier who recently signaled renewed interest in British-based investments, has added substantially to his war chest with the sale of a U.S. supermarket chain for \$1.2 billion.

Grand Union Co. has been sold to a consortium involving two U.S. securities houses and Grand Union's senior management in a deal announced late Monday.

In a telephone interview Tuesday, Sir James said that the price obtained for the 11th largest supermarket chain in the United States was "around \$1.2 billion, including the assumption of debt" by the buyers, led by the investment houses Miller Tabak Hirsch & Co. and Solomon Inc. They confirmed that price.

Analysts in London say the cash from the Grand Union sale could be put at the disposal of Anglo-Leasing PLC, Sir James's new British-based investment vehicle.

The financier dismissed suggestions that the sale was intended specifically to free up cash for the British company.

Sir James said the sale of the privately owned company had been the subject of negotiations since mid-1988. He said the disposal did not "represent a major strate-

gic shift," or any kind of major retrenchment from his U.S. investment portfolio.

He stressed that his investment in Grand Union, which he acquired in 1973, was always of a passive nature. The supermarket, based in Wayne, New Jersey, owns and operates 306 grocery stores in the Northeast and Georgia. It posted 1988 sales of \$2.7 billion.

Sir James's involvement with Grand Union runs a zigzag course over the past 16 years.

Through his former cornerstone holding company, Générale Occidentale de France, he acquired 51 percent of Grand Union in 1973; he lifted that stake to 80 percent in 1976 and to 100 percent in 1977. But in July 1987, he sold most of his holding in Générale Occidentale to France's Compagnie Générale d'Electricité — and with it, Grand Union.

Then, CGE determined it did not want Grand Union, or several other U.S. assets involved in the Occidentale takeover. It turned to Sir James to dispose of the supermarket chain.

Sir James and General Union's senior management came back with a takeover plan of their own for Grand Union and clinched the sale in March 1988 for about

\$900 million, a Goldsmith aide said in a telephone interview.

"We were in a passive position," Sir James said. "We backed management's desire for a leveraged buyout. I think it's a pretty good deal — management increases its stake substantially; the CEO who wished to retire is stepping down."

Under the agreement, Solomon and Miller Tabak will each own 40 percent of Grand Union, while the company's management will hold 20 percent. Floyd Hall, the current chairman and chief executive officer, will retire upon completion of the sale agreement, the company said.

In early March, Sir James ended a period of inactivity by announcing the \$31 million (\$52.6 million) purchase of a 37 percent stake in Anglo-Leasing, controlled by J. Rothschild Holdings PLC.

At the time, analysts said that Sir James and the Rothschild camp were aiming to use Anglo-Leasing as a springboard for a wave of acquisitions in Britain.

"This has no connection to the Anglo investment," Sir James responded. "There has to be plenty of cash around. The Grand Union sale was announced as a possibility in our September accounts, long before the Anglo deal."

But Neil Baker, analyst at C.I. Alexan-

der Laing & Cruickshank Ltd., the London brokerage, said, "Maybe Sir James is trying to clear out some dollar exposure. He may be trying to free up some cash to use in the U.K., via the Anglo-Leasing vehicle."

"At the time of the Anglo deal," Mr. Baker said, "he had said that the scope for leveraged deals in the U.S. was now limited and that more opportunity for such deals existed in the U.K. But, as yet, he has not indicated where those deals might be."

In the early 1980s, the European investor had focused his attention on overseas targets. In 1986, he bid unsuccessfully for Goodyear Tire & Rubber Co. of the United States with the financial backing of J. Rothschild.

Sir James was reported to have made a profit of about \$93 million by selling his stake back to Goodyear.

During the interview, he said that Britain, if it is able to get a grip on inflation, is poised to outperform other financial markets. He stressed, however, that caution was the byword of his current strategy.

"We are cautious, not because we are bears but because we are confused," he said. "We are uncertain about the direction of interest rates and the reaction by politicians" to signs of accelerating inflation.

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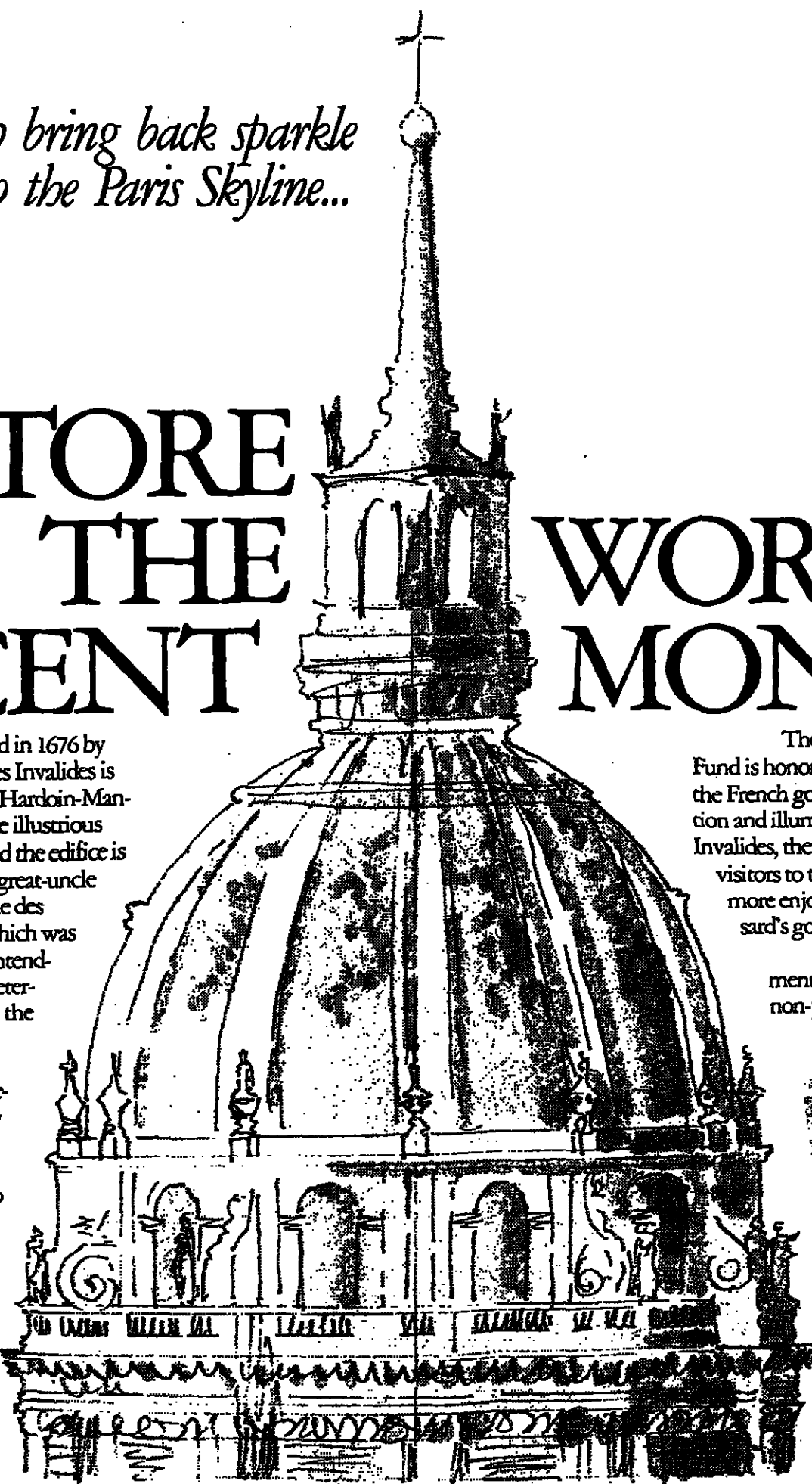
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Happily, on the occasion of the Bicentennial of the French Revolution, the French government has decided to re-gild the Invalides' splendid dome. You can already see the scaffolding surrounding the monument and the work will be completed in time for the Bicentennial celebrations in July.

This is the fifth time the Invalides dome has been gilded. The first was in 1715, the year of the death of Louis XIV; the second was in 1807, under Napoleon; then in 1869, under his nephew; and finally in 1937, the year of the last great Paris world fair.

Commissioned in 1676 by Louis XIV, the Hôtel des Invalides is the masterpiece of Jules Hardoin-Mansart, great-nephew of the illustrious François Mansart. Indeed the edifice is inspired by a design the great-uncle executed for the Chapelle des Bourbons at St-Denis which was never built. Originally intended as a hospital for the veterans of Louis XIV's wars, the Invalides today houses a museum, a hospital, a church and the mortal remains of French military leaders including, of course, those of Napoleon. Many consider it to be Paris' most magnificent landmark — admired and appreciated by visitors for generations.



The World Monuments Fund is honored to participate alongside the French government in the restoration and illumination of the Hôtel des Invalides, thereby ensuring that future visitors to the City of Light will once more enjoy the full splendor of Mansart's golden dome.

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## Tuesday's NASDAQ Prices

Prices as of 4 p.m. New York time.  
This list, compiled by the AP, consists of the 1,000 most traded securities in terms of dollar volume.  
It is updated twice a year.  
Via The Associated Press

Symbol Last Bid Ask High Low

IBM 120 119 121 120 119

Microsoft 100 99 101 100 99

Apple 100 99 101 100 99

Oracle 100 99 101 100 99

Sun 100 99 101 100 99

Lotus 100 99 101 100 99

Novell 100 99 101 100 99

Parsons 100 99 101 100 99

Unisys 100 99 101 100 99

Wang 100 99 101 100 99

Spacenet 100 99 101 100 99

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Verizon 100 99 101 100 99

AT&T 100 99 101 100 99

Qwest 100 99 101 100 99

Sprint 100 99 101 100 99

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Delta 100 99 101 100 99

American 100 99 101 100 99

United 100 99 101 100 99

Northwest 100 99 101 100 99

Alaska 100 99 101 100 99

Allegiant 100 99 101 100 99

JetBlue 100 99 101 100 99

Southwest 100 99 101 100 99

Delta 100 99 101 100 99

American 100 99 101 100 99

United 100 99 101 100 99

Northwest 100 99 101 100 99

Alaska 100 99 101 100 99

Allegiant 100 99 101 100 99

JetBlue 100 99 101 100 99

Southwest 100 99 101 100 99

Delta 100 99 101 100 99

American 100 99 101 100 99

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Alaska 100 99 101 100 99

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## CURRENCY MARKETS

### Dollar Stays Firm After Fed Sales

NEW YORK — The dollar closed firm Tuesday, with the effects of light intervention by the U.S. Federal Reserve system counterbalanced by continuing favorable interest-rate differentials with other currencies, dealers said.

The Fed intervened in the open market to sell dollars at around 1.8870 Deutsche marks, dealers said. The operation appeared to be limited to a few banks; several major U.S. banks said they had not seen the Fed in the market.

The dollar eased from its highs following the intervention but remained firm in quiet trading and closed at 1.8860 DM, up from 1.8832 at Monday's close.

But the U.S. currency eased slightly to 132.705 yen from 132.845. The Japanese currency traded firm all day, helped mainly by perceptions that the Recruit Co. scandal was receding.

The dollar had been lower throughout much of the morning, but a burst of short-covering

#### London Dollar Rates

Currency	Unit	Rate
Deutsche mark	1,000	1.8860
Swiss franc	1,000	1.6600
French franc	1,000	6.5500
British pound	1,000	1.6900

Source: Reuters

around the close of trading in Europe helped propel it well above the 1.88 DM level.

The British pound tumbled after leaders of Britain's dockers voted to ballot members on a national strike. The pound finished at \$1.6890, down from \$1.6960 on Monday.

The dollar also advanced to 1.6638 Swiss francs from 1.6608 on Monday and to 6.5590 French francs from 6.5535.

In London, the dollar closed slightly firmer but its potential for gains was limited by concern over possible central bank intervention, dealers said.

They said the market was still

unsettled after the Fed checked dollar rates on Monday, halting the dollar's small climb. Attention remained focused on Friday's release of a string of U.S. economic data. These will include February trade figures and business inventories, as well as producer prices, industrial production and capacity utilization for March.

The British pound dropped on the news of the dockers' decision. Economists said uncertainty over what a dock strike could mean for the British economy caused the sell-off.

"The most obvious thing is that a strike would have havoc with the trade figures," said Jim O'Neill, international economist at Swiss Bank Corp.

The pound dropped to \$1.6905 at the London close from \$1.6975 on Monday. The dollar rose to 1.8850 DM at the close from 1.8785 on Monday and inched up to 132.70 yen from 132.65.

The dollar also rose to 1.6645 Swiss francs from 1.6565 and to 6.5650 French francs from 6.5400.

### France Plans A Bond Issue Set in ECUs

Agence France-Press

PARIS — The French government will float a bond issue in European Currency Units in the next month, Finance Minister Pierre Bérégovoy said Tuesday.

Mr. Bérégovoy said the issue would be equivalent to 6 billion to 7 billion French francs (\$950 million to \$1.1 billion). He said the interest rate would depend on market conditions at the time.

In Brussels, an official of the European Community's executive Commission said the group welcomed France's decision. He said it would "contribute to the growth of ECU financial markets."

Britain and Italy have already floated issues denominated in ECUs, which are based on a basket of West European currencies.

## EXPORTS: Countries Campaign to Stay Off U.S. Unfair Trading List

(Continued from page 1)

its on foreign ownership of many businesses.

Mrs. Hills has not indicated which countries would be named, insisting that her office was looking into every complaint of unfair trading practices. Aides have issued warnings to some countries, trying to get them to institute reforms to avoid being placed on the Super 301 list, diplomats said.

For many Asian countries, being named as a persistent unfair trader by the United States involves a serious loss of face. For South Korea, for instance, it would be a sign that the new democratically elected government lacked political clout with Washington, some analysts noted.

If Taiwan was targeted under the Super 301 law, said Shen Ke Sheng of that country's mission to the United States. "We would be very embarrassed because we have done so much — done our best to reduce the trade imbalance."

The public relations efforts will

intensity in the next few weeks, starting with a Capitol Hill reception to announce the sale of \$900 million in planes by McDonnell Douglas Corp. to Korean Air Lines. South Korea also is sending its deputy prime minister, Soon Cho, who is also chairman of the country's Economic Planning Board, and Trade Minister Han

Sung Soo to lobby the administration and Congress.

Their pitch is simple. As illustrated Monday, they emphasize the positive side of their trade relations with the United States.

Nam Duck Woo, the former prime minister who heads the Korean Foreign Trade Association, said a South Korean delegation

had racked up purchases worth \$2.4 billion, including the jets, during a two-week trade mission to the United States.

Mr. Shu said Taiwan's lowered tariffs over the past 18 years, a decline in its trade surplus with the United States in 1988 and an "action plan" to bring about more balanced trade.

Analysts said GPA, like the other major aircraft-leasing concern, International Lease Finance Corp. of Beverly Hills, California, is eager to order new aircraft before the long waiting lists for airplanes grow even longer. In addition, analysts said the leasing companies want to order aircraft now because they want to have new, quiet aircraft on

hand as soon as new airplane noise requirements are implemented.

"Everybody is climbing over everyone else to secure some production priority," said Ian Wild, an aerospace analyst with Barclays de Zoete Wedd, a London brokerage.

At present, GPA has 250 aircraft on order.

Air Canada owns 16 percent of GPA, Aer Lingus 11 percent, Prudential Insurance 7 percent, the Mitsubishi Group 14 percent, the Long-Term Credit Bank Group of Japan owns 13 percent.

## PLANES: Lease Firm Plans \$10 Billion-Plus Order

(Continued from page 1)

are focusing increasingly on operating aircraft rather than on financing and buying airplanes.

Mr. King said that a majority of GPA's new orders would be firm, rather than options, and he added that the order would include wide bodies and narrow bodies. He declined to say how many orders each of the three major aircraft manufacturers would receive.

He added, however, that GPA would award engine orders to Gen-

eral Electric Co., Pratt & Whitney, Rolls-Royce PLC, IAE International Aero Engines AG, and CFM, a joint venture between General Electric and SNECMA of France.

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## World Stock Markets

Via Agence France Presse Closing prices in local currencies, April 11

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## SPORTS

## Strategies to Exorcise the Demon of Being No. 1

## McEnroe Rebuilds a Career Balancing Family and Work

By Peter Alfano  
New York Times Service

SAN DIEGO — The signs of change are not as readily apparent on the court where John McEnroe's facial expressions still make it look as if tennis is pure agony, and even a mild display of displeasure with a chair umpire or linesman prompts some fans to anticipate a good old-fashioned vitriolic outburst.

Chances are that if McEnroe were to play another 10 years, those looks of discomfort and unsolicited opinions would remain very much a part of his game.

But the temper tantrums are fewer. McEnroe does not tap that well of emotion as he once did, rallying himself against an opponent and the world that he perceived to be against him, too.

Guests who spent last week at the hotel where the U.S. Davis Cup team and officials stayed saw a 30-year-old father of two often carrying one son while the other tagging along with McEnroe's wife, Tatum O'Neal.

When he wasn't in the role of

parent, McEnroe was a mentor and cheerleader for the American team. On the sidelines Saturday night during Ken Flach and Robert Seguso's doubles victory in the sweep of the French, he counseled Andre Agassi about tactics for the teenager's match against Yannick Noah the next day.

Earlier in the week, McEnroe had played a spirited two-set practice match against Agassi, in an effort to prepare both for cup competition.

And McEnroe — one of the finest doubles players ever — also practiced against Flach and Seguso, helping hone their game.

"What impresses me most about John is his enthusiasm," said Tom Gorman, the captain of the U.S. team. "When we have John, he raises the level in practice and that carries over. You can't put a value on that."

Only three years ago, McEnroe was barred from a Grand Slam event by Randy Gregg, then president of the U.S. Tennis Association, who did not like the image

that McEnroe projected for his country.

Now, it is no longer farfetched to envision McEnroe as the playing captain of the American team.

He is ranked No. 6 in the world, playing as well as he has in five years. McEnroe said he is no longer burdened with doubts.

"I immediately got to the top and stayed there," McEnroe said. "And the way I lived the life, it's not surprising the way things happened. Things were almost too easy for me. What happened was difficult to deal with, but I almost expected it and welcomed it."

His fall from the top of the rankings could be attributed in part to an erosion of his skills. But it also coincided with the responsibilities that came with family.

"I have a better understanding of juggling family life with my job," he said.

As a young tennis genius, McEnroe did not dwell on lengthy practices and was not obsessed with achieving the fitness level of a Marine drill instructor. Back troubles and other nagging injuries intro-

duced him to the athletic aging process.

And the pressure of staying on top caught up to McEnroe, too.

"I got tired of the traveling, of all the trials and tribulations of the tennis world," McEnroe said.

His suspension by the Men's Tennis Council for an accumulation of fines after one more ugly display at the 1987 U.S. Open was the turning point, McEnroe said. His younger son was born then and he felt a need to change or quit.

"I made the determination that I wasn't going to come back and play unless my attitude was better," he said.

He is training much harder now, compensating for his age, he said. He picks and chooses his tournaments carefully, and is never away from tennis or his family for extended periods.

"I have to work a little more on my endurance for a Grand Slam event," McEnroe said. "But I don't feel that a lot more has to be done. I don't need to convince myself that I can play with anyone when I'm playing well."



John McEnroe: 'Things were almost too easy for me.'

## SIDELINES

## Inquiry Set on English Steeplechase

LIVERPOOL (AP) — The Jockey Club will investigate the safety of the Grand National after the deaths of two horses in this year's running of the world's best-known steeplechase.

In a statement released Tuesday, the club, which controls horse racing in Britain, said trainers, jockeys and officials of the Royal Society for the Prevention of Cruelty to Animals would be questioned about possible changes in the course, including the notorious Becher's brook jump.

On Saturday, in the 151st Grand National, two horses, Brown Fox and Seandem, were killed in falls at Becher's.

## Hurdler Suspended Over Drug Test

INDIANAPOLIS (AP) — Toni Campbell, the 1987 world indoor high hurdles champion, has been suspended for 90 days for refusing to take a drug test at a track meet in Virginia in February, U.S. track officials announced Tuesday.

The Athletics Congress announced the suspension, which is retroactive to March 11. Campbell told officials at his March 11 hearing that he refused the test because he had only 40 minutes to catch a plane for which he was holding a nonrefundable ticket issued by the meet promoter. He said he left when it could not be resolved who would pay the difference for a new ticket.

Campbell, 29, of Ontario, California, had until Monday to appeal but decided against it. "I was innocent (of drug use), but I was wrong in what I did in refusing the test," he said.

## NHL Rejects Soviet Franchise Plan

CALGARY, Alberta (AP) — An overture for a National Hockey League expansion franchise, supposedly made on behalf of the Soviet Ice Hockey Federation, has been rejected by the league as unworkable.

Ramon Dacynsky, executive vice president of the agency that negotiated the release of Soviet player Sergei Prilokin to the Calgary Flames, made the proposal to league officials last month.

Under the plan, which Dacynsky said was made on behalf of the Soviet Hockey Federation, a team of Soviet players would compete as a 23rd franchise. Apart from the travel costs and scheduling headaches, the proposal breached so many NHL bylaws — including its entry and waiver drafts and its trading policies — that league officials and Alan Eagleson, executive director of the NHL Players Association, dismissed it as unworkable.

## Johnson Fund Irregularities Alleged

TORONTO (AP) — Sprinter Ben Johnson withdrew thousands of dollars from a private safe after his career skyrocketed in 1986 to cover bills, including nearly \$400,000 for two sports cars, his financial adviser said Monday at a Canadian inquiry into drug use by track and field athletes.

Ross Earl testified that Johnson, the world record-holder in the 100-meter dash, did not deposit all his earnings to a special trust fund set up under the rules of international amateur sport. Instead, Earl said he stored thousands of dollars in cash and bank drafts in a safe at his home.

The International Amateur Athletic Federation requires athletes to deposit earnings in such trust funds, allowing them to withdraw living expenses until they retire or turn professional.

"The IAAF rule stated he was allowed a 'reasonable mode' of transportation," Earl said.

## For the Record

Bill Kenney, the Kansas City Chiefs' starting quarterback for most of the last decade, has been told that he will not play for the club in 1989. The Chiefs signed veteran free agent Ron Jaworski 10 days ago. The club will retain rights to Kenney and try to trade him.

The physician for Jeff Fenech, the World Boxing Council featherweight champion, confirmed Tuesday that the Australian, who announced his retirement from boxing after a unanimous decision over Marcos Villaseca of Mexico in Melbourne on Saturday, had broken bones in both of his hands.

## Wilander Says Trip to the Outback Has Been Restorative

Reuters

VIENNA — Despite two more Davis Cup defeats over the weekend, Mats Wilander has scotched suggestions that his tennis career is on the wane.

He insists he is as strongly motivated as ever. He wants to regain the world number one ranking from Ivan Lendl and is banking on a tough program of physical training to help him do it.

"My appetite for tennis is back. I want to be number one again," Wilander, now ranked No. 2, said in an interview during Davis Cup quarterfinal play against Austria, which Sweden won 3-2.

In 1988, Wilander had the most successful season by anyone on the men's professional tennis circuit for years.

He won three of the four grand slam titles — the Australian, French and U.S. Opens — and the International Players' Championship in Florida, one of the top non-grand slam events.

In addition, he led the Swedes to their sixth consecutive Davis Cup final with two shining semifinal

singles triumphs against Frenchman Yannick Noah and Henri Leconte.

Then everything went wrong. "Mats suffered from shin splints and took a break from tennis after the U.S. Open," explained his longtime coach, Jonte Sjogren. "He simply has not been getting enough match training."

One reason for not being match tough is that the Swede has not survived the early rounds. He has lost nine of his 14 matches since November and has been defeated by Lendl in the world ranking.

The most stinging defeat was perhaps by Carl-Uwe Steeb in last December's Davis Cup final when Wilander led two sets to one and held match point in the fifth set. Steeb's triumph helped West Germany to a 4-1 victory.

Against Austria, Wilander went down in five sets to Horst Skoff. In the final singles, after Stefan Edberg had secured a Swedish triumph, a tired and uninterested Wilander lost again — to 106th ranked Alexander Antonitsch.

Despite the apparent continuation of his poor form, Wilander, 24, insists he has taken a step in the right direction.

"The match against Skoff was useful for getting my clay tennis going," he said. "I played well. I just need to get back my edge."

"It's going to take some time and a few tough matches to regain last year's form. But I know it will come and that there is a good chance to unseat Ivan."

The road back started after his Australian Open loss to India's Ramesh Krishnan in January. He took his South African wife, Sonya, on a long car trip to Australia's outback to allow his shin splints to heal.

"The break from tennis did a lot of good," he said. "The injury is definitely gone now."

Sjogren's comeback recipe has included something Wilander, who admits he tends to be lazy, was not used to — hard physical training. He is lifting weights and training several hours a day with Joe Bredlove, an American trainer.

The Swede has changed from a shy tennis-only teen-ager to a self-assured man who enjoys family life

in his New York residence, writing poetry, and playing the guitar.

In addition to overtaking Lendl, Wilander is fired up by another goal.

"I want to win Wimbledon, at least once," he said.

## Muster Has Surgery On Knee Ligaments

Reuters

VIENNA — Austrian tennis star Thomas Muster, injured in a car accident in Miami, underwent a successful two-hour operation on his left knee ligaments, a hospital spokesman said here Tuesday.

Muster reached the finals of the International Players' Championships in Florida March 31. Two hours later he was pinned under his car after it was rammed by another car.

The hospital spokesman said Muster hoped to return to play within nine months.

## BOOKS

## GLENN GOULD:

A Life and Variations

By Otto Friedrich. 464 pages. \$24.95. Random House, 201 East 50th Street, New York, N. Y. 10022.

Reviewed by Jonathan Yardley

GLENN GOULD was a brilliant pianist and an exceedingly odd man.

At times during his strange career the strangeness seemed more important than the career, to the extent that it was not always clear whether the attention that Gould attracted had to do with his gifts as a performer or his peculiarity as a human being. His recordings of Bach's keyboard compositions were 20th-century monuments, yet in the press he was better known for his eccentric dress and unpredictable behavior.

This being the case, Otto Friedrich's biography of Gould is especially welcome, for it locates the human reality behind the oddity and brings the musician to the fore. Gould emerges as a total, obsessively devoted to his music — speaking once about sex, which doesn't seem to have much interested him, he said, "My ecstasy is my music" — and frustrated in his emotional relationships: a man who was fulfilled in certain ways that most of us can scarcely imagine yet was denied in others that most of us take for granted.

It is tempting to say that he was a sad man because, as a friend put it, "he was

unable to reach out and make . . . an intimate, warm contact with anyone," except that he wasn't sad at all, not at least on the terms that seem to have mattered most to him.

It is true that he was something of a hypochondriac and that in the last years of his relatively brief life — he was only 50 years old when he died in 1982 — he was in the thrall of various demons, yet his musical life seems to have been almost entirely happy. In part this was because he was celebrated the world over and adored by a substantial cult, but of greater importance was that he was doing precisely what he wanted and, even more to the point, doing it at a level that few others have aspired to, much less reached.

Gould was, according to a man who worked with him on Canadian television programs during the 1960s, "somebody in full flight, and in full command of his creative powers, and really pressing the boundaries of what is permissible." After less than two decades of public performances, he walked away from the concert stage — he regarded public piano recital as "the last blood sport" — in 1964 and never returned. He believed that "the mysteries of art could best be fulfilled in the privacy of the recording studio," and spent the rest of his life exploring them there.

To the public, Gould was peculiar, perhaps crazy. It is the biographer's inescapable task to pursue this wherever it leads, and this Friedrich has done. "I certainly never thought of him as crazy," Leonard

Bernstein told him. "I thought he was eccentric and compulsive, obsessive, contradictory, deliberately contradictory, just to mix people up." This is the view expressed by virtually everyone else with whom Friedrich spoke. One of these was David Oppenheim, a recording executive who signed Gould for the historic 1955 recording of the Goldberg Variations.

"Troubles with Glenn? Yeah, there were always troubles with Glenn, but

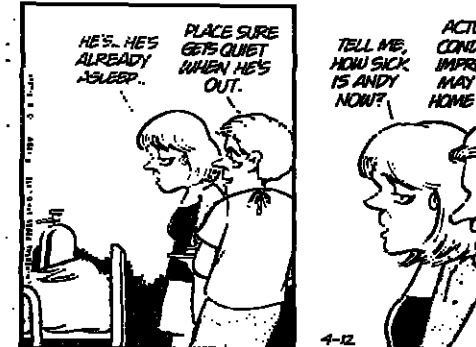
you knew from the beginning that you were dealing with some special breed that has to be handled in a certain way." This balanced, perceptive and candid book permits us to listen to the music unencumbered by the man who made it; that surely is exactly as Gould would have wished it.

Jonathan Yardley is on the staff of The Washington Post.

## BEST SELLERS

The New York Times			Last Week		
This Week			On List		
FICTION					
1	THE SATANIC VERSES, by Salman Rushdie	2	6		
2	STAR, by Danielle Steel	1	7		
3	A PRAYER FOR OWEN MEANY, by John Irving	3	3		
4	THE EDGE, by Dick Francis	4	4		
5	BILLY BATHGATE, by E.L. Doctorow	5	5		
6	THE LONG DARK TEA-TIME OF THE SOUL, by Douglas Adams	6	5		
7	CAT'S EYE, by Margaret Atwood	7	8		
8	THE FORTUNE, by Michael Chabon	8	7		
9	THE CARDINAL OF THE SANDS OF TIME, by Sidney Sheldon	11	36		
10	MIDNIGHT, by Dean R. Koontz	9	21		
11	WE ARE STILL MARRIED, by Richard F. Feynman with Ralph Leighton	10	11		
12	MORNING GLORY, by LaVelle Spencer	13	3		
NONFICTION					
1	ALL I REALLY NEED TO KNOW I LEARNED IN KINDERGARTEN, by Robert Fulghum	1	23		
2	A BRIEF HISTORY OF TIME, by Stephen W. Hawking	4	51		
3	BLIND FAITH, by Joe McGinnis	2	11		
4	THE BLOODING, by Joseph Wambaugh	3	8		
5	INNUMERACY, by John Allen Paulos	6	7		
6	LEGENDS, LIES AND CHERISHED MYTHS OF AMERICAN HISTORY, by Richard Shenkman	7	10		
7	GRACE, by George Burns	5	21		
8	"FUNNY, YOU DON'T LOOK LIKE A GRANDMOTHER," by Lois Wyse	8	4		
9	THE LAST LION, by William Manchester	11	25		
10	THE BOY WHO COULDN'T STOP WASHING, by Judith L. Rapoport	12	15		
11	SECOND CHANCES, by Judith S. Wallerstein and Sandra Haskins	9	3		
12	RICHARD BURTON, by Melvyn Frisch	15	6		
13	LECTURES, by Paul Johnson	10	2		
ADVICE, HOW-TO AND MISCELLANEOUS					
1	WEALTH WITHOUT RISK, by Charles J. Givens	2	11		
2	THE 5-STEP CHOLESTEROL CURE, by Robert H. Kowalski	1	52		
3	ONE UP ON WALL STREET, by Peter Lynch with John Rothchild	3	4		
4	GETTING THE LOVE YOU WANT, by Harville Hendrix	4	5		
5	THE WAY THINGS WORK, by David Macaulay	5	10		

## DOONESBURY



## JUMBLE

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

GALOW

WENOV

ENLOOD

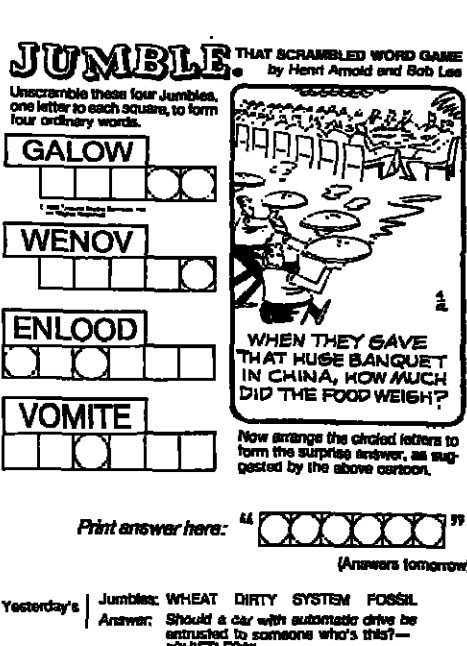
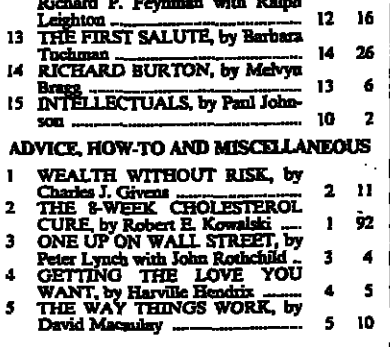
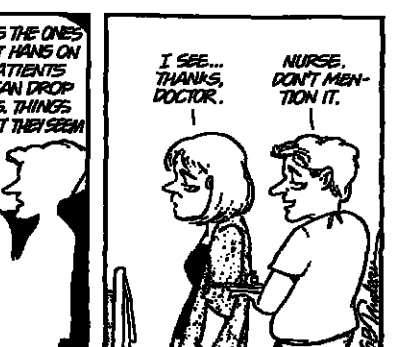
VOMITE

Now arrange the initial letters to form the surprise answer, as suggested by the above cartoon.

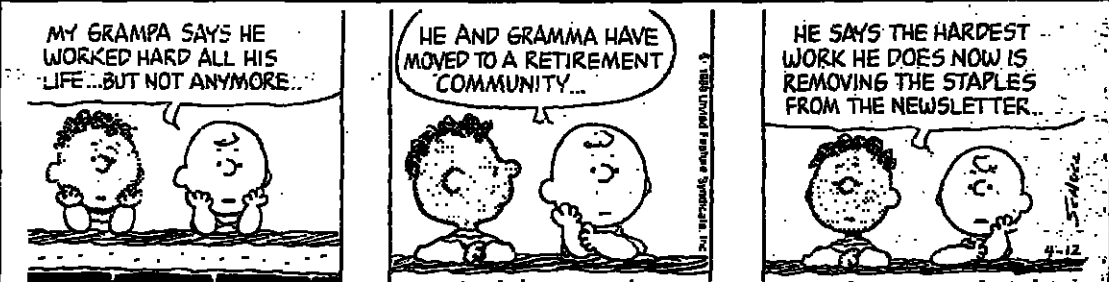
Print answer here: \_\_\_\_\_

Yesterday's Jumble: WHEAT DIRTY SYSTEM POSSIL

Answer: Should a car with automatic drive be entrusted to someone who's not a "SHIFTLESS"



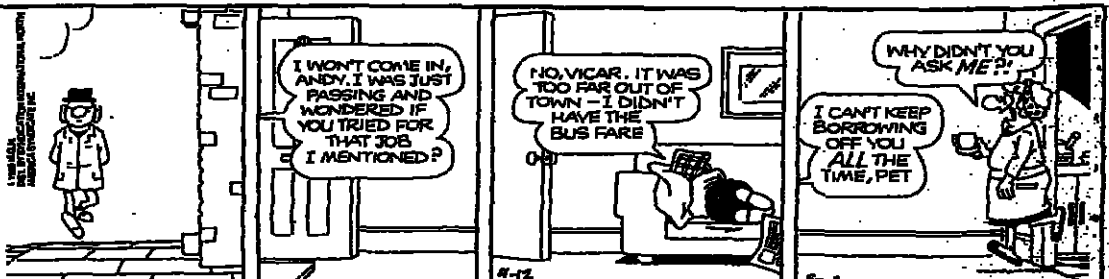
## PEANUTS



## BEETLE BAILEY



## ANDY CAPP



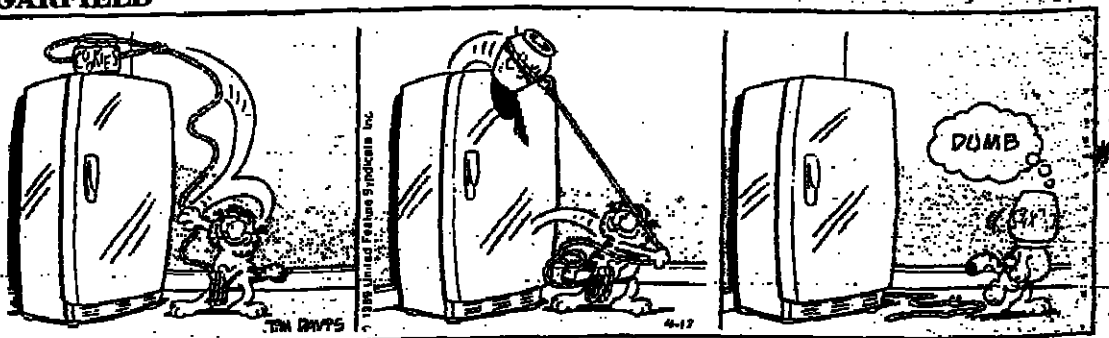
## WIZARD of ID



## REX MORGAN



## GARFIELD





## SPORTS

## Banned English Soccer Clubs Win Ruling on Play in Europe

Compiled by Our Staff From Dispatches

**PALMELA, Portugal** — English soccer clubs will be able to return to European competition in the 1990-91 season — after the World Cup in Italy — if their return is supported by the British government, the Union of European Football Associations, UEFA, said Tuesday.

UEFA's president, Jacques Georges, announced the surprise decision after a meeting of the UEFA executive committee.

English clubs were banned from European club competition in 1985 after the Heysel stadium disaster in Brussels, which claimed 39 lives, mostly among Italian fans. The ban was lifted in 1990 after the then-English champions Liverpool and Juventus of Italy.

This move is subject to "the British government giving its support to the English Football Association," said Georges.

The British government has opposed the application by the En-

glish clubs for an early return to European competition.

Georges said he planned to meet the British sports minister, Colin Moynihan, in April 1990 to complete the planned readmission of the clubs.

Graham Kelly, the English Football Association's chief executive, said: "At last there is a light at the end of the tunnel."

"Everybody in football will be delighted with the news," said Liverpool's chief executive, Peter Robinson. Liverpool will be banned for another three years after English clubs return.

"We are happy for this decision," said Juventus president, Gianpiero Comberi. He said English clubs already had "paid for what has been a wound for the entire European soccer" and he added that he wished that Liverpool "can be pardoned" by lifting of the three-year ban.

Jack Dunnett, president of the English league, described the ruling as "a victory for English football."

and pledged that English soccer would continue to work toward eliminating the problem of hooliganism.

Asked about British government reluctance to support immediate readmission, Dunnett said the league had done everything in its power to combat violence but that a 100 percent guarantee on traveling fans could never be given.

In London, Moynihan welcomed UEFA's decision but made clear that government backing would be forthcoming only if the planned membership scheme calling for identity cards for soccer fans was fully operational by the start of the 1990-91 season.

"If we do not see major improvements in the behavior of English fans at the World Cup next year and we do not get the full co-operation of the English clubs with the membership scheme, I do not think it would be reasonable for the English clubs to be re-admitted," Moynihan said.

(Reuters, AP)

## Politicians Racing to Midfield

International Herald Tribune

**LONDON** — Heaven preserve sport from meddling politicians. In Brussels on Tuesday, the European Parliament passed a resolution to abolish soccer's transfer market.

ROB HUGHES

the buying and selling of players from club to club. How an EC resolution becomes law is another matter. It will take months to pass, and it will be subject to a 22-nation veto.

Meanwhile, the Dutch Christian Democrat MP, James Janssen van Raay, has persuaded his EC colleagues that transfer fees between clubs represent "a latter day version of the slave trade."

He wants all those poor, millionaire soccer slaves released from bondage.

It must be terrible, this pampered exploitation. But the need for compassion escaped me in Madrid last week.

There, three of this parliamentarian's countrymen booked into the Ritz as members of Italy's European Cup chasing AC Milan. The players didn't choose their hotel: It was five-star purgatory for everyone.

Next, I watched them train as if the chore was enjoyment. They were in the Bernabéu Stadium — one of the world's most intimidating arenas.

Undaunted, Milan handed Real Madrid a soccer lesson. The Dutchmen were the masters.

Rund Gullit, Frank Rijkaard and Marco Van Basten expressed an agility of mind, a fluidity of movement, a coach, never mind a politician, could order.

In particular, Gullit and Rijkaard are loose-limbed athletes whose ancestors probably were slaves in the Dutch East Indies.

But they are players in a profession that has unshackled boundaries of color, class or creed long before Europe's policy makers conjured up 1992.

Sure, Gullit & Co. are on hire to the highest bidder. So were Marlyn Monroe, Ronald Reagan and Gino Lollobrigida. This, in van Raay's eyes, makes them commodities.

You or I should be so lucky. These "commodities" are contracted to Milan on million-dollar-per-year salaries. Additionally, they are at liberty to sell themselves to brand packets, to accept gifts of cars, jewelry or fashions of their choice.

They also are permitted to argue their tactical preferences with Milan's coach, Arrigo Sacchi.

He doesn't always bow to them. Before the Madrid game, Rijkaard complained that he felt restricted in defense and wanted to roam midfield as in the previous Italian league match.

Sacchi listened somewhat paternally, and then named Rijkaard alongside Franco Barresi in central defense.

Slave driver!

However, the four Italians occupying midfield ran and worked like a labor gang so that Rijkaard and Barresi could glide out of defense on runs that are the pure footballer's dream.

Rijkaard, 25, and not quite in his prime, has a stormy history. He walked out on Ajax Amsterdam, where he considered his coach, Johan Cruyff, a dictator.

Perhaps Sacchi knows Rijkaard better than he knows himself? At any rate, the coach's wisdom paid off. A crucial save, Madrid's Emilio Butragueño broke free until Rijkaard, motivated by instinct and

swept along on tapered legs, overhauled and disposed of Butragueño.

It was the moment of responsibility that comes with Milan's freedom. In the land of defense, Sacchi merely asks that Rijkaard pay momentary attention to what he can do better than anyone else.

A commodity? Yes, yes. But a member of a team, and a very rich one.

The Dutch may grumble, but few work the market better. Diego Maradona thinks he does; but he has become Napoli's exploiter rather than the exploited.

Maradona commands soccer's highest-ever wage. Yet he never says no when an Arab sheik offers him \$300,000 for an hour's kick-about with the royal brothers.

Too bad for Napoli if Maradona's injuries, the worse for fatigue, rule him out of vital matches.

Van Raay's argument that the transfer system prevents free movement of players might never have occurred to Maradona. But the Dutch MP insists: "Rich clubs grab all the best players. If the system is changed and players are free to join any club they like, small clubs that can afford to pay the salary will gain."

Oh, yes? What about small clubs whose livelihood is developing talented players and selling them?

What is democratic about demanding an international market (extending far beyond the reaches of the EC) of opportunity and incentive to nurture who sooner or later fly the nest?

The Netherlands, for example, is an exporter. Its top club, PSV Eindhoven, backed by Philips, lures stars but cannot hold them.

Last year PSV warned off clubs eyeing Ron Koeman, saying he had just signed a four-year contract. Less than one season later, Koeman became touted around Spain and Italy. He soon joined Barcelona.

Agents spin the market's wheel. And from Amsterdam last month a new agency, Ecosport, began offering, in conjunction with the Amro Bank, to set up finances for clubs willing to go into debt to sign players.

Van Raay must be surprised — misfired perhaps, but not surprised. For in his other life, this Euro MP is a lawyer whose forte is to write the small print on players' contracts.

Of course, if he could do away with transfer fees there would be more negotiable for players — and more for the players' agents more for business advisers.

While the European Parliament dabbled in market forces, the European soccer union, UEFA, met in an old nursery north of Lisbon.

UEFA came out with a compromise, an abdication. It declared that English clubs could play again in UEFA contests, but not yet and not with UEFA bearing the final responsibility.

The 11 committeemen of UEFA passed the buck. They will allow English clubs back in after 1990 — on condition that the British government give assurances that supporters will never again kill as a result of hooliganism, which England is noted for but much of the Continent is now infested with.

A priority is that no English readmission comes before the 1990 World Cup in Italy (whose supporters were the victims of Hysel and whose clubs have a rising tide of violence).

After that, the onus is on the British government. Right now it refuses to back English clubs until and unless clubs accept a compulsory identity card system for all spectators, good or bad, old or young.

The politicians, in other words, are in play. And blackmail is their game.

Rob Hughes is on the staff of the Sunday Times



Manager Doc Edwards of the Indians argues after Boggs, foreground, was called safe at first.

## At Fenway, Boggs Finds Salvation

By Murray Chass

New York Times Staff Writer

**BOSTON** — After the airplane bomb scare, the Margo chants and the Margo masks, Wade Boggs has returned to Fenway Park and been welcomed home like the naughty but most-loved son in the family.

To the Fenway fans, it did not matter that for months Boggs had been the center of a controversy involving his ex-mistress, Margo Adams. He was still the best-hitting member of the Red Sox and that was what counted.

"It was fantastic," Boggs said of the ovation the fans gave him Monday when he was introduced before the Red Sox home opener.

"It really meant the world to me. I've been waiting all winter for this day."

"I was anxious to get home. You don't know what to expect until

you meet it face to face. I wouldn't do that until I ran out of the dugout. As I did, the goosebumps grew bigger and bigger. It was a giant relief."

In the previous 10 days, the Boggs-Adams affair was constantly on the minds of the Red Sox. The day before they left spring training in Florida, there was a bomb threat against "any plane Boggs is on."

In Kansas City, some fans chanted, "Margo" and some held Margo masks.

Besides the initial ovation, Boggs heard cheers at other points in Monday's game as he rapped two key singles in the 5-2 victory over the Cleveland Indians.

Roger Clemens, Boston's No. 1 pitcher, did not experience a similar feeling. Many in the crowd of 32,909 booed Clemens when he was introduced. The fans evidently con-

doned Boggs's years of infidelity to his wife but condemned Clemens's winter of misunderstood public statements.

During the winter, Clemens criticized the fans by speaking critically of "Boston." He later explained that he meant the team, not the city.

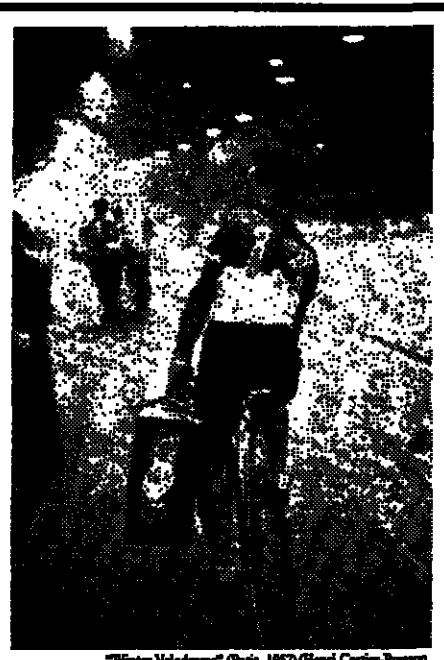
Boggs, on the other hand, never has been critical of anyone but Adams, the woman with whom he had an affair for four years and who is suing him.

While the Red Sox have seriously considered trading him to shed the albatross some feel he has become, he has repeatedly expressed a desire to remain in Boston.

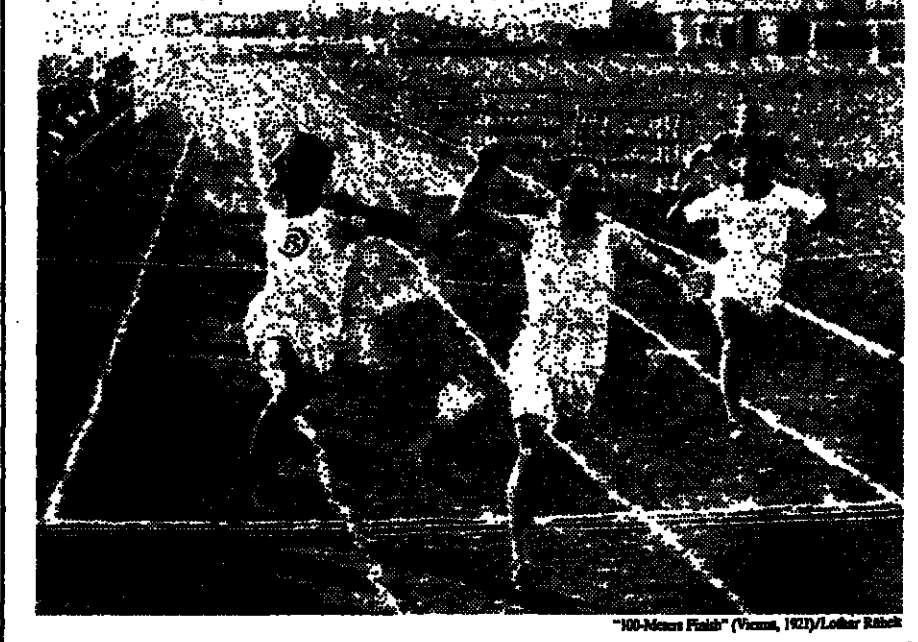
"The fans, with their devotion, delivered a message," Lou Gorman, the team's general manager, said, standing not far from Boggs in the Boston clubhouse. "They said the Boggs issue is over."



Portrait of Floyd Patterson (New York, 1939)./George S.



Winter of 1939 (Paris, 1939)./Blanc Carlin-Bessan



100 Meters Field (Vienna, 1912)./Lohrer Bildat

## One-Hitters Pitched By Stieb and Hurst; Yankees Lose No. 6

The Associated Press

Two one-hitters were hurled on the Major League baseball diamonds on Monday.

Bruce Hurst pitched the first

**BASEBALL ROUNDUP**

one-hitter of his career and struck out 13 as the Padres beat Atlanta, 5-2, in San Diego.

And in New York, Dave Stieb pitched a one-hitter in his second start of the season as the Toronto Blue Jays handed the New York Yankees their sixth straight loss.

Hurst, who signed as a free agent for \$5.25 million over three years, lost his debut with the Padres last week, giving up nine hits and seven runs in five innings to San Francisco.

Against Atlanta, the only hit Hurst allowed was a home run by Lonnie Smith with two out in the third inning, scoring pitcher Pete Smith who had walked.

Carmelo Martinez hit a three-run homer for the Padres and Tony Gwynn added a solo shot.

Blue Jays 8, Yankees 0: In New York, Stieb, who closed last year with consecutive one-hitters, gave up just Jamie Quirk's single to center with one out in the fifth for a one-hitter.

Stieb pitched three one-hitters last season, losing no-hitters in his final two starts when he yielded singles with two outs in the ninth inning.

Jesse Barfield, Fred McGriff and Lloyd Moseby each hit home runs

among Toronto's 12 hits. Barfield went 4-for-5 and also doubled.

Tony Fernandez, Toronto's All-Star shortstop, underwent surgery earlier in the day after he was beaten by Cecilio Guante of the Texas Rangers last Friday. Fernandez is expected to be out for about six weeks.

Phillies 7, Expos 6: Von Hayes led off the bottom of the ninth inning with his second home run of the game to give Philadelphia a victory at home Monday over the Montreal Expos.

Hayes's homer over the right-field fence came on a 2-1 pitch from Gene Harris to make a winner of reliever Steve Bedrosian. It was the seventh time in his career that Hayes has hit two homers in a game.

Mike Fitzgerald also hit two homers for Montreal, the second giving the Expos a 5-5 tie in the sixth.

The Expos took a 6-5 lead in the seventh when reliever Jeff Parrett walked pinch-hitter Wallace Johnson with the bases loaded.

But the Phillies tied it in the bottom of the inning on a leadoff single by Bob Dernier, a walk to Hayes, a sacrifice and a wild pitch by Harris.

The Phillies made it 4-1 in the second inning on singles by pitcher Floyd Youmans and Dernier and Hayes's three-run homer.

Dodgers 7, Giants 4: Eddie Murray hit a grand slam for his first homer with Los Angeles to cap a five-run, ninth-inning rally as Orel Herschiser and Los Angeles spoiled San Francisco's home opener.

Murray hit 333 homers in 12 years for the Baltimore Orioles before being acquired by the Dodgers last December. It was his 15th career grand slam, a high among active players and eighth on the all-time list. Babe Ruth, Hank Aaron and Dave Kingman are next with 16 grand slams each.

The rally made a winner of Herschiser, who was headed for a second straight defeat until the Dodgers bunched two singles, a walk, an error and Murray's first National League homer.

Mike Scioscia singled to lead off the ninth with the Dodgers trailing 3-2. Mickey Hatcher, pinch hitting for Herschiser, singled, Willie Randolph walked and second baseman Robby Thompson forced pinch-runner Mariano Duncan at the plate on Franklin Stubbs's pinch groundout.

Kirk Gibson drove in pinch-runner Dave Anderson with a grounder that first baseman Will Clark booted for an error and then Murray hit a home run deep to right field. Prior to the homer, Murray had two hits in 25 at-bats — both singles.

Royals 3, Orioles 0: In Kansas City, Missouri, Bret Saberhagen threw a three-hitter for his ninth career shutout in the Royals' defeat of Baltimore.

Saberhagen struck out six and walked none. He allowed a single to Brady Anderson leading off the game and a one-out double to Phil Bradley in the fourth. He then retired the next 16 batters until Anderson's single with two outs in the ninth.

Athletics 4, Angels 0: Bob Welch allowed three hits in eight innings and Glenn Hubbard hit his second homer of the season in Oakland's victory in Anaheim, California.

Welch struck out seven and walked none. He allowed a double by Brian Downing and a bloop single by Devon White in the fourth and a single by Claudell Washington in the eighth.

Oakland took the lead in the first when Dave Henderson doubled and scored on Mark McGwire's single. McGwire left the game three innings later with a stiff lower back and will be examined Tuesday.

Mariners 6, White Sox 5: Dave Valle tripled off a Kingsdale loud-speaker to drive in the go-ahead run in a three-run seventh inning and Seattle hung on to win its home opener.

Mickey Brantley doubled off Eric King and scored to snip a 3-3 tie. Valle was thrown out on the relay from second baseman Steve Lyons.

Harold Reynolds and Alvin Davis singled in base runners for a 6-3 lead.

Reds 8, Astros 3: In Houston, Eric Davis's three-run homer highlighted a four-run fifth inning and Tom Browning allowed only three runs in seven innings in Cincinnati's victory.

Ron Oester walked to start the fifth, was balked to second and moved by Browning. Barry Larkin's single to left field scored Oester and after Karl Daniels singled, Davis homered over the center-field fence.

Glenn Davis singled for the Astros in the second and scored on Kevin Bass's double. Davis hit his second homer of the season in the fourth and doubled home Billy Hatcher from second in the sixth.

Rangers 6, Brewers 4: Ruben Sierra doubled in the go-ahead run in the 10th inning in Milwaukee's home opener.

Sierra's hit off Chuck Crim followed a walk to Rafael Palmeiro, and Cecil Espy singled in the final run for Texas.

Pete Incaviglia tied the game for the Rangers with a two-run homer off Chris Bosio in the sixth.

## Yo! World Series! Shut Up and Pass The Sand Wedge

The Associated Press

**NEW YORK** — The caddy shouldering the golf bag looks familiar, but out of place. Shouldn't he be wearing a baseball uniform, and swinging a bat?

For 18 years, until this spring, he did.

Ray Knight, Most Valuable Player of the 1986 World Series, is caddying for his wife, Nancy Lopez, on the Ladies Professional Golfers Association Tour.

"It's something I've always wanted to do. I can be with her out here and the family more. I've enjoyed it," said Knight, recently retired from an 18-year career, the last 13 in the major leagues.

"I know a lot of people tease him about carrying my bag, but he's my best friend, not just my husband," said Lopez. "I want him here."

"With Ray out here, I can play a lot of tournaments and try to become the leading money winner again."

"I'm leaving the game feeling I can still play," the 33-year-old former infielder said. "But I don't want to be a part-time player. I'm not good at that. I've always been an intense player, keyed up."

In past years, Lopez adjusted her tour schedule so she and her husband could spend time together. But when Knight was traded from Baltimore to Detroit last year in spring training, it threw their plans into disarray.

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## SCOREBOARD

## BASEBALL

## Major League Standings

## AMERICAN LEAGUE

## East Division

Team	W	L	Pct.	GB
Cleveland	4	2	.667	0
Seattle	3	3	.500	1
Toronto	3	3	.500	1
Minnesota	2	4	.333	2
Chicago	2	4	.333	2
Detroit	1	5	.167	3
New York	1	5	.167	3

## West Division

Team	W	L	Pct.	GB
Texas	5	1	.833	0
Kansas City	5	2	.714	1
Oakland	5	2	.714	1
Minnesota	4	3	.571	2
Chicago	4	3	.571	2
California	3	4	.429	3
Seattle	3	4	.429	3

## NATIONAL LEAGUE

## East Division

Team	W	L	Pct.	GB
Chicago	4	2	.667	0
Philadelphia	4	2	.667	0
Montreal	4	2	.667	0
St. Louis	3	3	.500	1
New York	2	4	.333	2
Pittsburgh	1	5	.167	3

## West Division

Team	W	L	Pct.	GB
Cincinnati	2	4	.333	1
San Diego	4	3	.571	0
Atlanta	3	3	.500	1
Los Angeles	3	3	.500	1
San Francisco	3	3	.500	1
Houston	2	5	.286	2

## Monday's Line Scores

## AMERICAN LEAGUE

Team	W	L	Pct.	GB
Cleveland	4	2	.667	0
Seattle	3	3	.500	1

## NATIONAL LEAGUE

Team	W	L	Pct.	GB
Chicago	4	2	.667	0
Philadelphia	4	2	.667	0

## HOCKEY

## NHL Playoffs

## DIVISION SEMIFINALS

Team	W	L	Pct.	GB
Washington	3	2	.600	0
Philadelphia	2	3	.400	1



